



BHAGWATI AUTOCAST LTD.

August 10, 2018

To,
Dept. of Corporate Services,
BSE Limited
25th Floor, Phiroj Jeejibhoy Tower,
Dalal Street,
Mumbai-400001

Security Code: **504646**

Dear Sir,

Sub.: **Submission of 36th Annual Report for the FY 2017-18**

In terms of the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or amendment(s) thereof for the time being in force), we hereby enclosed soft copy of 36th Annual report for the FY 2017-18, is being sent to the shareholders through permitted mode. The same is also available at the Company's website www.bhagwati.com.

Please take this for your information & record.

Thanking You.

Yours faithfully,
For and on behalf of,
BHAGWATI AUTOCAST LIMITED

Mehul Naliyadhara
Company Secretary & Compliance Officer
Encl.: A/a.





**36th
Annual Report
2017-18**



BHAGWATI AUTOCAST LIMITED

36th Annual Report 2017-2018

Board of Directors	:	Dr. Pravin N Bhagwati - Chairman & Managing Director Ms. Reena P Bhagwati - Jt. Managing Director Mr. Padmin H Buch - Director Mr. Rajendraprasad J Shah - Director Mr. Vimal R Ambani - Additional Director (w.e.f. 12-12-2017)
Chief Financial Officer	:	Mr. Dinesh K Sheth
Company Secretary	:	Mr. Mehul C. Naliyadhara
Statutory Auditors	:	M/s. Mahendra N. Shah & Co. Chartered Accountants Ahmedabad
Internal Auditors	:	M/s. Mehta Sheth & Associates Chartered Accountants Ahmedabad
Secretarial Auditors	:	M/s. Samdani Shah & Kabra Company Secretaries Ahmedabad
Bankers	:	Kotak Mahindra Bank Ltd. Ahmedabad
Registered Office & Works	:	CIN - L27100GJ1981PLC004718 Survey No 816, Village Rajoda, Near Bavla, Dist. Ahmedabad 382 220 Tel. : +91-2714-232283, 222383, 232066 Website : www.bhagwati.com Email : autocast@bhagwati.com
Registrar & Share Transfer Agents	:	M/s MCS Share Transfer Agent Limited 201, Shatdal Complex, 2nd Floor, Opp. BATA Showroom, Ashram Road, Ahmedabad - 380 009. Tele No. 079 26580461 / 62 / 63

ISIN - INE106G01014

GSTIN - 24AAACB4699K1ZD

Financial Highlights

Particulars	[Rs. in Lakhs]											
	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	
Production in MT	13163	11093	9392	9306	12189	10064	8711	10586	10343	9729	10615	
Fixed Assets (Gross)	3676.10	3584.65	3480.46	3399.60	3290.98	2894.53	2795.13	2504.45	2317.48	1439.75	1430.75	
Fixed Assets (Net)	1449.64	1489.31	1609.60	1768.08	1960.53	1748.09	1747.56	1549.73	1394.99	560.53	619.95	
Net Current Assets	1596.27	1506.80	931.92	798.07	1125.14	620.57	560.32	867.04	738.80	1077.41	703.28	
Misc. Exps./Deferred Revenue Exps.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.49	4.81	9.13	
TOTAL ASSETS (NET)	3045.91	2996.11	2541.52	2566.15	3085.67	2368.66	2307.88	2416.77	2134.28	1642.75	1332.36	
Borrowings	772.33	817.28	486.92	607.02	722.12	450.65	545.16	759.53	711.51	465.13	295.56	
Equity Share Capital	288.07	288.07	288.07	288.07	288.07	288.07	288.07	288.07	288.07	288.07	288.07	
Reserves & Surplus	1860.80	1751.04	1637.31	1583.16	1869.89	1435.21	1311.97	1250.76	1033.44	843.32	693.83	
Deferred Tax	124.71	139.72	129.22	87.90	205.59	194.73	162.68	118.41	101.26	46.23	54.90	
TOTAL CAPITAL EMPLOYED	3045.91	2996.11	2541.52	2566.15	3085.67	2368.66	2307.88	2416.77	2134.28	1642.75	1332.36	
DEBT EQUITY RATIO	0.127:1	0.103:1	0.085:1	0.117:1	0.10:1	0.16:1	0.21:1	0.39:1	0.52:1	0.12:1	0.14:1	
Sales & Other Income	9237.14	8051.51	7188.20	7231.59	9325.24	7887.01	6407.74	7205.83	5840.73	6567.31	5898.05	
Excise Duty & Cess	284.27	917.62	843.81	930.67	1054.16	864.62	599.93	625.87	443.21	775.70	810.19	
Sales Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	141.82	118.10	146.72	173.68	
Materials	5234.64	3866.40	3489.01	4071.55	5005.20	4387.73	3757.00	3976.01	3151.12	3686.96	3121.76	
Labour Cost	1779.93	1500.28	1367.41	1244.20	1336.90	1196.46	913.07	945.37	789.33	703.53	684.99	
Power	1182.75	967.65	828.12	840.27	786.52	773.78	665.57	790.10	736.80	671.11	623.63	
Operation & Other Exps	304.30	258.92	173.81	122.12	189.66	162.43	141.05	115.28	107.83	131.80	112.85	
Interest	94.47	72.50	61.58	70.86	94.58	118.26	61.24	116.21	77.73	103.77	92.63	
GROSS PROFIT	356.78	468.14	424.46	(48.08)	858.22	383.73	269.88	495.17	416.61	347.72	273.35	
Depreciation	211.49	224.48	304.64	304.64	184.07	171.85	143.55	125.22	68.83	72.31	69.55	
PROFIT BEFORE TAX	145.29	243.66	119.82	(352.72)	674.15	211.88	126.33	369.95	347.78	275.41	203.80	
Provision For Taxation	19.81	93.55	41.32	(117.69)	218.87	65.05	48.37	119.15	120.29	98.96	68.85	
PROFIT AFTER TAX	125.48	150.11	78.50	(235.03)	455.28	146.83	77.96	250.80	227.49	176.45	134.95	
Prior period adjustments	(14.56)	(8.64)	(0.08)	(22.82)	9.74	0.00	0.00	0.00	10.50	0.00	0.00	
Other Comprehensive Income	(1.16)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Dividends	0.00	23.05	20.16	14.40	25.93	20.16	14.40	28.81	23.04	23.04	0.00	
Corporate Tax on Dividend	0.00	4.69	4.11	2.93	4.40	3.43	2.34	4.67	3.83	3.92	0.00	
Retained Earnings	109.76	141.47	78.42	(257.85)	434.69	123.24	61.22	217.32	190.12	149.49	134.95	
Earning per Eq. Share Rs.	3.85	4.44	2.72	(8.95)	15.80	5.10	2.71	8.71	7.90	6.13	4.68	
Dividend per Eq. Share %	8.00	8.00	7.00	5.00	9.00	7.00	5.00	10.00	8.00	8.00	0.00	
Net Worth	2148.87	2039.11	1925.38	1871.23	2157.96	1723.28	1600.04	1538.83	1321.02	1126.58	972.77	
Book value per Eq. Share Rs.	74.60	70.79	66.84	64.96	74.91	59.82	56.12	53.42	45.86	39.11	33.77	

BHAGWATI AUTOCAST LIMITED

NOTICE

NOTICE is hereby given that the **THIRTY SIXTH ANNUAL GENERAL MEETING (AGM)** of the members of **BHAGWATI AUTOCAST LIMITED** will be held at the Registered Office of the Company at Survey No. 816, Village Rajoda, Near Bavla, Dist. Ahmedabad - 382 220 on Wednesday, 12th day of September 2018 at 11.00 AM to transact the following business.

Ordinary Business :

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2018 and the report of the Board of Directors and Auditors thereon and in this regard, pass the following resolution as **Ordinary Resolution:**

“RESOLVED THAT the audited financial statements of the Company for the financial year ended March 31, 2018 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

2. To declare dividend on equity shares for the financial year ended March 31, 2018 and in this regard, pass the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT a final dividend of Rs. 0.80/- (rupees eighty paise only) per equity share of Rs. 10/- (rupees ten) each of the Company as recommended by the Board of Directors of the Company at their meeting held on 26th May, 2018, be and is hereby declared for the financial year ended March 31, 2018.”

3. To appoint director in place of Ms. Reena P. Bhagwati (DIN:00096280), who retires by rotation and being eligible offered herself for re-appointment and in this regard, pass the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Ms. Reena P. Bhagwati (DIN:00096280), who retires by rotation at this meeting and being eligible offered herself for re-appointment, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

Special Business:

4. To re-appoint Dr. Pravin N. Bhagwati (DIN:00096799) as a Managing Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution:-**

“RESOLVED THAT pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the Act) and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in-force) and pursuant to the provision of Articles of Association of Company and subject to such approvals, if any, the consent of members be and is hereby accorded to re-appoint Dr. Pravin N. Bhagwati (DIN:00096799), as Managing Director of the Company, liable to retire by rotation, for the period of 3 years starting with effect from 1st October, 2018 ending on 30th September, 2021 on terms and remuneration in which there is inadequacy or absence of profits, if any as set out in statement annexed hereto.

RESOLVED FURTHER THAT the Board of directors of the Company be and is hereby authorized to execute the agreement with the Managing Director and to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary,

expedient or desirable, and to settle any question, or doubt that may arise in relation thereto and to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company.

RESOLVED FURTHER THAT Dr. Pravin N. Bhagwati, Managing Director will be entitled for the reimbursement of actual entertainment, traveling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits/amenities and other privileges, as any from time to time, as available to other Senior Executives of the Company.”

5. Approval of remuneration of Ms. Reena P. Bhagwati (DIN:00096280) as a Jt. Managing Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution:-**

“RESOLVED THAT pursuant to the provisions of Section 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in-force) and pursuant to the provisions of Articles of Association of the Company and subject to such approvals, if any, the consent of members be and is hereby accorded to pay minimum remuneration to Ms. Reena P. Bhagwati (DIN: 00096280) Jt. Managing Director for the financial year, in which there is inadequacy or absence of profits, if any with effect from 1st October, 2018 for the remaining period of her present term of appointment upto 30th September, 2020 upon such remuneration as set out in statement annexed hereto.

RESOLVED FURTHER THAT the Board of directors of the Company be and is hereby authorized to execute the agreement with the Jt. Managing Director and to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable, and to settle any question, or doubt that may arise in relation thereto and to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company.”

6. To appoint Mr. Vimal R. Ambani (DIN:00351512), as Independent Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:-**

“RESOLVED THAT pursuant to provision of Section 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Vimal R. Ambani (DIN:00351512), who was appointed as an Additional Director of the Company, by the Board of directors effective December 12, 2017 and who hold office till the date of 36th Annual General Meeting in terms of Section 161 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company for a periods of five years with effect from the date of 36th AGM, not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the company be and are hereby authorised to do all acts, and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

7. To consider and determine the fees for delivery of any document through a particular mode of delivery to a member

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:-**

“RESOLVED THAT pursuant to Section 20 and other applicable provisions, if any of the Companies Act, 2013 and relevant Rules prescribed thereunder, upon receipt of a request from a Member for delivery of any document through a particular mode, an amount of Rs. 100/- (Rupees one hundred only) per such document, over and above reimbursement of actual expenses of delivery of the documents incurred by the Company, be levied as and by way of fees for sending the document to him in the desired particular mode.

RESOLVED FURTHER THAT the estimated fees for delivery of the document shall be paid by the member ten days in advance to the Company, before dispatch of such document and that no such request shall be entertained by the Company post the dispatch of such document by the company to the Member.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors and/or the Key Managerial Personnel of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper, desirable or expedient and to settle any question, difficulty or doubt that may arise in respect of the matters aforesaid, including determination of the estimated fees for delivery of the document to be paid in advance.”

Place : Ahmedabad
Date : 26/05/2018

By order of the Board of Directors
For, Bhagwati Autocast Limited

Registered Office :

Dr. Pravin N. Bhagwati

Survey No. 816, Village Rajoda,

Chairman and MD

Near Bavla, Dist. Ahmedabad – 382 220.

DIN : 00096799

CIN: L27100GJ1981PLC004718

e-mail: autocast@bhagwati.com

Website: www.bhagwati.com

NOTES :

1. A member entitled to attend and vote at AGM is entitled to appoint proxy to attend and vote instead of himself/herself and that a proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. Proxies in order to be effective, should be duly completed, stamped and must be deposited at the registered office of the Company not less than forty-eight (48) hours before the time for commencement of the meeting.
2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution to the Company, authorizing their representative to attend and vote their behalf at the meeting.
3. In respect of the ordinary business at Item no. 3, a Statement giving additional information on the Directors seeking re-appointment is provided herewith as Annexure-A, under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. The relevant Explanatory statements pursuant to Section 102 of the Companies Act, 2013, in respect of the business under Item no. 4 to 7 of the Notice are annexed herewith.
5. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Statutory Auditors, who were appointed in the 34th Annual General Meeting held on September 21, 2016.

6. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 5th September, 2018 to Wednesday, 12th September, 2018 (both days inclusive) for the purpose of payment of dividend.
7. The payment of dividend upon declaration by the shareholders at the forthcoming Annual General Meeting, will be made within 30 days from the date of declaration as under:
 - A. To all those beneficial owners holding shares in electronic form as per the beneficial ownership data as may be made available to the Company by National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the end of the day on Tuesday, 4th September, 2018 and
 - B. To all those shareholders holding shares in physical form after the effect to all the valid share transfers lodged with the Company before the closing hours on Tuesday, 4th September, 2018.
8. Members holding shares in physical form are advised to furnish, particular of their bank account, if not done already or if it is changed, to the Company to incorporate the same in the dividend warrants/payment instruments. In respect of cases, where the payments to the shareholders holding shares in dematerialized form are made by NECS, NEFT, dividend warrants/ payment instruments, particulars of bank account registered with their depository participants will be considered by the Company for printing the same on the dividend warrants/ payment instruments.
9. Members who hold shares in the dematerialized form and want to change/correct the bank account details should send the same immediately to their concerned Depository Participant and not to the Company. Members are also requested to give the MICR Code of their bank to their Depository Participants. The Company, in case of such dematerialized of shares, will not entertain any direct request from such members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. While making payment of dividend, Registrar is obliged to use only the data provided by the Depositories.
10. Voting through electronic means
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 36th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the 36th Annual General Meeting (AGM) (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL):
 - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

BHAGWATI AUTOCAST LIMITED

- IV. The remote e-voting period commences on 8th September, 2018 (09:00 am) and ends on 11th September, 2018 (05:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 4th September, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:
- (i). Open email and open PDF file viz: "Bhagwati Autocast Limited e-Voting.pdf" with your Client ID (in case you are holding shares in Demat Mode) or Folio No. (In Case you are holding shares in Physical Mode) as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.

NOTE: Shareholders already registered with NSDL for e-voting will not receive the pdf file "Bhagwati Autocast Limited e-Voting.pdf".
 - (ii). Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
 - (iii). Click on Shareholder – Login
 - (iv). Put user ID and password as initial password/PIN noted in step (i) above.
 - (v). If you are logging for the first time, the Password change menu appears. Change the password with new password of your choice. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi). Home page of e-voting opens. Click on "e-Voting: Active Voting Cycles."
 - (vii). Select "EVEN" (E Voting Event Number) of Bhagwati Autocast Limited for casting your vote.
 - (viii). Now you are ready for e-voting as "Cast Vote" page opens.
 - (ix). Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x). Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi). Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to chi118_min@yahoo.com with a copy marked to evoting@nsdl.co.in.
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy]:
- (i). Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :

EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN
 - (ii). Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 4th September, 2018.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 4th September, 2018, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or cs@bhagwati.com by mentioning their Folio No./DP Id and Client ID No.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- XI. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XII. Mr. Chirag Shah, Practicing Company Secretary (Membership No. 5545) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XIV. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XV. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be

immediately forwarded to the BSE Limited, Mumbai.

11. The Members having multiple ledger folios in the same order of names are requested to approach MCS Share Transfer Agent Limited, R&T Agent of the Company for consolidating their entire holding in one folio for mutual convenience.
12. In accordance with the provisions of Sections 124, 125 and other applicable provisions, if any, of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as 'IEPF Rules') (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the amount of dividend remaining unclaimed or unpaid for a period of 7 (seven) years from the date of transfer to the unpaid dividend account is required to be transferred within 30 days of becoming due to IEPF maintained by the Central Government.

The following are the details of the dividends paid by the Company and respective due dates for claim by the shareholders:

Sr. No.	Dividend for the Financial Year	Date of Declaration of Dividend	Last date of Claim
1.	2010-2011	30/09/2011	07/11/2018
2.	2011-2012	20/09/2012	27/10/2019
3.	2012-2013	20/09/2013	27/10/2020
4.	2013-2014	24/09/2014	01/11/2021
5.	2014-2015	23/09/2015	01/11/2022
6.	2015-2016	21/09/2016	28/10/2023
7.	2016-2017	20/09/2017	27/10/2024

Accordingly, during the financial year 2017-18, the Company has transferred unclaimed final dividend amount for the financial year ended 31st March, 2010 on 14th November, 2017 to IEPF. Further, the Company shall not be in a position to entertain the claims of Shareholders for the unclaimed dividends after the last date as mentioned in the table. In view of the same, the Shareholders are requested to send relevant un-encashed dividend warrants pertaining to the above years at registered office of the Company for revalidation or issuance of demand draft in lieu thereof and en-cash them before the due dates for transfer to the IEPF.

In accordance with the Section 124(6) of the Companies Act, 2013 read with IEPF Rules, those Members who have so far not encashed their dividend warrants from the final dividend 2010-11 onwards, may approach the Registrar and Share Transfer Agents, MCS Share Transfer Agent Limited, for making their claim without any further delay or all the shares in respect of which dividend has remained unclaimed or unpaid for 7 (seven) consecutive years or more will be transferred to the Investor Education and Protection Fund of the Central Government. With respect to the said Rules, amongst other matters, contain provisions for transfer of such shares in respect of which dividend has not been paid or claimed for seven consecutive years to the IEPF authority. The details of unpaid/ unclaimed dividend and number of shares liable to be transferred are available on our website: www.bhagwati.com. Pursuant to the said provisions read with IEPF Rules, as amended, the Company shall process to transfer all shares to IEPF authority in respect of which dividends declared for the year 2010-11 has not been claimed by members 7 (seven) consecutive years or more.

Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/ investors are advised to visit the weblink: <http://iepf.gov.in/IEPFA/refund.html> or contact Company or R&T Agent for lodging claim for refund of shares and/ or dividend from the IEPF Authority.

13. Members desiring any information as regards the accounts are requested to write to the Company at least 15 days in advance, so as to enable the Board of Directors to keep the information ready.
14. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM. All documents referred to in the accompanying Notice are open for inspection at the registered office of the Company during office hours on all working days except Saturdays and Sundays between 11:00 a.m. to 01:00 p.m. up to the date of Annual General Meeting.
15. In compliance with the circular of Ministry of Corporate Affairs for "Green Initiative in the Corporate Governance" by allowing/ permitting service of Documents etc in electronic forms, electronic copy of the Annual Report for the year 2017-18 is being sent to all the members whose e-mail ids are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the Annual Report for the year 2017-18 is being sent in the permitted mode.
16. Members are requested to support the Green Initiative by registering/ updating their e-mail address, with the Depository Participant(s) (in case Shares held in dematerialized form) or with M/s MCS Share Transfer Agent Ltd (in case shares held in physical form) to facilitate easy and faster dispatch of Notices, Annual Report and other communications by electronic mode from time to time.
17. Members may also note that the Notice of the 36th AGM and the Annual Report 2017-18 will be available on the Company's website, www.bhagwati.com.
18. As per the provisions of the Companies Act, 2013, facility for making nominations is available to the shareholders in respect of the shares held by them in physical form. Nomination forms can be obtained from the Registrar and Share Transfer Agents of the Company. The shareholders holding shares in dematerialized form may approach their respective Depository Participants to avail and/or effect any change to the nomination facility.
19. Members are requested to bring their copies of the annual report at the venue of the 36th AGM. Members / Proxies / authorised representatives are requested to produce at the entrance, the attached Admission Slip for admission to the meeting hall. Duplicate attendance slips will not be provided at the hall.
20. A route map giving directions to reach at the venue of the 36th AGM is given at the end of the Notice.

Place : Ahmedabad
Date : 26/05/2018

By order of the Board of Directors
For, Bhagwati Autocast Limited

Registered Office :
Survey No. 816, Village Rajoda,
Near Bavla, Dist. Ahmedabad – 382 220.
CIN: L27100GJ1981PLC004718
e-mail: autocast@bhagwati.com
Website: www.bhagwati.com

Dr. Pravin N. Bhagwati
Chairman and MD
DIN : 00096799

BHAGWATI AUTOCAST LIMITED**ANNEXURE - A****Item-3 of the Notice****Details of the directors seeking appointment/ re-appointment at the 36th Annual General Meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Name of the Director	Ms. Reena P. Bhagwati
DIN	00096280
Date of Birth	26/08/1966
Date of Appointment	01/10/2015
Qualifications	MBA from Carnegie Mellon University, Pittsburgh, USA
Expertise in Specific Functional Area	<p>She is a Director in various Companies of the Bhagwati Group and plays an active role in the day to day management of the Companies.</p> <p>She served as the President of the Institute of Indian Foundrymen (IIF) in 2013-14.</p> <p>She served as the Chairperson of the Confederation of Indian Industry (CII) Gujarat State Council in 2016-17.</p> <p>She is a member of the Governing Body of Ahmedabad Management Association, a premier management association of Gujarat, part of the All India Management Association.</p>
Relationship between Directors inter se	She is a daughter of Pravin N. Bhagwati, Managing Director of the Company
Other Directorship in Listed entities	EIMCo Elecon (India) Ltd
Membership of Committees (Audit Committee and Stakeholder Relationship Committee in other listed entities)	None

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 4

To re-appoint Dr. Pravin N. Bhagwati (DIN:00096799) as a Managing Director

Item No. 4 of the Notice relates to the re-appointment of Dr. Pravin N. Bhagwati as a Managing Director of the Company, whose present tenure will expire on 30th September, 2018. The new terms of appointment of Managing Director will be effective for 3 years from 1st October 2018 to 30th September, 2021. The proposed remuneration will be effective, subject to the approval of the members in the 36th Annual General Meeting of the Company.

The terms and conditions of re-appointment of Dr. Pravin N. Bhagwati, as a Managing Director of the Company are as under:-

REMUNERATION:

Salary

Rs. 4,00,000/- per month.

Perquisites

Maximum up to Rs. 2,00,000/- per month which shall include perquisites of Categories 'A', 'B' and 'C' as below:

CATEGORY 'A'

i) House Rent allowance

- a) The expenditure by the Company on hiring furnished accommodation will be subject to ceiling of 50% of the Salary over and above 10% payable by the Managing Director.
- b) In case the accommodation is owned by the Company, 10% of the Salary of the Managing Director shall be deducted by the Company.
- c) In case no accommodation is provided by the Company, the Managing Director shall be entitled to house rent allowance not exceeding 50% of the Salary.
- d) The expenditure incurred by the Company on Gas, Electricity, Water etc. will be valued as per Rule No. 3(d) (ii) of the Income Tax Rules, 1962.
- e) The perquisites for Furnishings shall be worked out at the rate of ten percent of the actual cost of the furnishings.

ii) Medical Reimbursement:

Expenses incurred for self and his family subject to a ceiling of one month's salary in a year or three months' Salary over a period of three years. He shall also be entitled to the benefit of Medical Treatment referred to in Proviso to Section 17(2) of the Income Tax Act, 1961 or to such modifications as may be made therein from time to time.

iii) Leave Travel Concession:

For self and family once in a year incurred in accordance with any rules specified by the Company.

iv) Club Fees:

Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.

v) Personal Accident Insurance:

Premium not to exceed Rs. 40,000/- per annum.

vi) Mediclaim Insurance:

Premium not to exceed Rs. 25,000/- per annum or such amount as may be prescribed in Section 80D of the Income Tax Act, 1961.

CATEGORY 'B'

i) Contribution to Provident Fund & Other Funds:

Contribution to the Provident Fund, Superannuation or Annuity Fund shall not be included in computation of the ceiling on perquisites and shall be payable to the extent these either singly or put together are not taxable under the Income-tax Act.

ii) Gratuity:

As per the rules not exceeding half a month's salary for each completed year of service, and shall not be included in the computation of ceiling on perquisites as specified above.

iii) Leave Encashment:

The Managing Director shall be entitled to fully paid leave as per the Company's Rules. Encashment of Leave at the end of the tenure is permitted and shall not be included in the computation of the ceiling on perquisites, specified above.

CATEGORY 'C'

i) Provision for chauffeur driven car and telephone expenses:

The Company shall provide a car for use on Company's business and also for personal purposes and telephone at the residence of the Managing Director. The Managing Director shall be billed by the Company for personal long distance calls on telephone and perks for the use of car for personal purposes shall be evaluated as per Income Tax Rules.

ii) Other Benefits:

Such other benefits, amenities and facilities as per the company rules.

The terms and conditions of the remuneration of the Managing Director, may be varied, altered, increased, enhanced or widened from time to time by the Remuneration Committee and the Board as it may in its discretion deem fit within above limits and subject to limits laid down in Section 196 and 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013.

Memorandum of Interest:-

Dr. Pravin N. Bhagwati is interested in the above resolution to the extent for re-appointment pertains to him and Ms. Reena Bhagwati is concerned or interested in the above resolution as being relative of Dr. Pravin N. Bhagwati. No other Directors, KMPs and their relatives are concerned or interested, financial or otherwise, in the proposed resolution.

Statement containing information required to be given as per item (iv) of third proviso of Section II of Part II of Schedule V to the Companies Act, 2013

I. General Information:

1) Nature of Industry:

BHAGWATI AUTOCAST LIMITED

The Company is engaged in manufacturing of highly specialized casting for the automobile, tractor, compressor, and hydraulic industries. The Company was incorporated in the year 1982 and the commercial production began in respect of all items since 1984.

2) Date or expected date of commencement of commercial production:

Unit is already in production since the year 1982.

3) In case of new Companies, expected date of commencement activities as per project approved by financial institution appearing in the prospectus:

Not applicable.

4) Financial performance based on given indicators:

(Amount Rs. in Lakhs)

Sr. No.	Name	2015-16	2016-17	2017-18
1.	Net Sales	6435.87	7960.09	9235.07
2.	Other Income	01.83	02.67	20.30
3.	Effect of Closing stock	(93.31)	88.75	(18.23)
4.	Total Manufacturing Expenses	5923.30	7531.35	8785.89
5.	Interest	61.58	72.50	94.47
6.	Depreciation	239.69	224.48	211.49
7.	Profit / (Loss) for the year	119.82	223.18	145.29
8.	Provision for Income tax/ Deferred tax	41.32	(86.77)	(48.93)
9.	Prior period adjustment	0.08	(08.64)	14.56
10.	Other comprehensive income	0	13.72	(01.16)
11.	Net Profit/(Loss) for the year	78.42	141.49	109.76
12.	Paid up Share Capital @ Rs. 10/- each.	288.07	288.07	288.07
13.	Reserve & Surplus	1661.58	1778.80	1860.80

5) Export Performance:

Not applicable.

6) Foreign Investments or collaborations, if any:

No foreign investments or collaborations.

II. Information about appointee:

1) Background details:

Dr. Pravin N. Bhagwati, Managing director of the Company is a key promoter of the Company. He is qualified technocrat and Ph. D. in Foundry Engineering from Aachen, Germany. He is associated with the Company since 1982. He is in-charge of entire Company. The Company is continuously performing well despite Global adverse & recessionary situation, the Company has performed exceptionally well and achieved new heights under his esteemed supervision and leadership.

2) Past remuneration:

Remuneration Paid to Dr. Pravin N. Bhagwati, as a Managing Director during the last three Years:-

Particulars	2015-16	2016-17	2017-18
Salary	48.00	48.00	48.00
House Rent Allowance	16.56	16.56	16.56
P.F. Contribution	05.76	05.76	05.76
Contribution to Superannuation Fund	07.20	0	0
Perquisites	0.74	0.75	0.70
Total	78.26	71.07	71.02

Last remuneration was revised in the 33rd Annual General Meeting of the Company.

3) Recognition or Awards:

Dr. Pravin N. Bhagwati, is associated with various organizations at State, National and International levels. He is Past President of The Institute of Indian Foundrymen, Past President of World Foundry Organization (WFO), Past Coordinator and Chairman of WFO's International Commission on Vocational Training, Past National Chairman of Technical Education & Training of Confederation of Indian Industry (CII), Past Chairman of Confederation of Indian Industry (CII) (Western Region).

He is recipient of Life Time Achievement award presented by The Institute of Indian Foundrymen at the World Foundry Congress held in Chennai in February 2008.

He is on the Board of various institutions like:-

- Governing Council of MSME - Indo German Tool Room (IGTR), Ahmedabad.
- Governing Body of Centre for Entrepreneurship Development, Govt. of Gujarat.
- Member, Board of Governance Nirma University, Ahmedabad and Member, Governing Council, Nirma Institute of Management, Ahmedabad.
- Founder President of Society for Promotion of Foundry Education and Research Ahmedabad.

4) Job Profile & Suitability:

Dr. Pravin N. Bhagwati, Managing Director of the Company has been appointed by the Board of Directors to look after day to day affairs of the Company including Production, Finance, Administration, Marketing and human resource development with the help of senior experts and professionals in their respective fields.

Under his direction and supervision, the Company is able to enhance its sales and profitability.

5) Remuneration Proposed:

The details of the proposed remuneration are mentioned in Explanatory Statement as required under Section 102(1) of the Companies Act, 2013.

6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (In case of expatriates the relevant details would be with respect to the country of his origin)

The Nomination and remuneration committee and the Board of Directors of the company have recognized the profit and rich, diversified experience of Dr. Pravin N. Bhagwati, and the increased job responsibilities, accordingly the nomination and remuneration committee and the Board of Director have approved the remuneration of Dr. Pravin N. Bhagwati. His remuneration is comparable and level with similar in the industry.

7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personal, if any:

The Managing Director is promoter of the Company and he along with his family Members and group Companies holds 65.34% equity share capital of the Company.

The Company had not entered into any transaction of a material nature with any of the related parties, which were in conflict with the interest of the Company. Further all transactions with the related parties were in the ordinary course of the business and arms length. Ms. Reena P. Bhagwati, Jt. Managing Director of the Company is relative of Dr. Pravin N. Bhagwati.

III. OTHER INFORMATION

1. Reasons of loss or inadequate profits:

- a) Foundry industry is working in extreme competitive market with paper thin profit margin.
- b) Operational costs of products of the foundries located in Gujarat are substantially higher than other foundries located in other parts of the country.
- c) Our customers are big & OEM, and hence sales rates are governed by market. There is very limited scope to enhance sales rate on the basis of cost plus margin formula.
- d) We are utilizing full installed capacity and hence volume cannot increase, our sales are solely dependent on growth of tractor & other general automobile & engineering industries, where we operate.

2. Steps taken for improvement:

- a) Company has 18000 MTA installed capacity and with increased capacity company's sales turnover will increase.
- b) Company has generally maintained cordial and amicable relationship with its labors and employees.
- c) Out of total production, almost 75% of the casting production of the Company is normally sold to 2 companies, the Management desire to reduce dependency on few customers, to implement this planning company has increase the strength of its marketing and R&D department, which will help in the search of new market, innovation of new design and maintenance of international standards quality of products.

3. Expected increase in the productivity:

Bhagwati Autocast Limited, is one of Certified ISO 9001:2015 Company, which itself denoted its quality and reliability of products. The productivity and profits are likely to increase well over the period of next 2-3 years. The expectations of increase of productivities in forthcoming three financial years are as under:-

BHAGWATI AUTOCAST LIMITED

(Amount Rs. in Lakhs)

Particulars	2017-18 (Actual)	2018-19 (Projected)	2019-20 (Projected)	2020-21 (Projected)
Net Sales	9235.07	12000	13000	14000
Other Income	20.30	0	0	0
Effect of Closing stock	(18.23)	0	0	0
Total Manufacturing Expenses	8785.89	10960	11900	12830
Interest	94.47	100	110	120
Depreciation	211.49	240	240	250
Profit / (Loss) for the year	145.29	700	750	800
Provision for Income tax/ Deferred tax	48.93	210.44	225.47	240.50
Prior period adjustment	(14.56)	0	0	0
Other comprehensive income	1.16	0	0	0
Net Profit/(Loss) for the year	109.76	489.55	524.53	559.50
Paid up Share Capital @ Rs. 10/- each.	288.07	288.07	288.07	288.07
Reserve & Surplus	1860.80	2350.35	2874.88	3434.38

4. Disclosure:

- (1) The remuneration package of Dr. Pravin N. Bhagwati, Managing Director is given in the Explanatory statement of Notice of 36th Annual General Meeting of the Company.
- (2) (i) Element of remuneration package
 - (ii) Details of fixed components and performance linked incentive
 - (iii) Service contract, Notice period Severance fees etc.

The above details are given along with details of his remuneration in the notice to the extent they are applicable.

Your directors recommend the resolutions as they consider the same is in the interest of the Company.

This may be treated as an abstract of terms of contract for the re-appointment of the Managing Director under the provisions of Section 190 of the Companies Act, 2013.

The Draft Agreement to be entered in to with the Managing Director is open for inspection by Members on any working day between 03:00 p.m. to 05:00 p.m. at the registered office of the Company.

Item No. 5

Approval of remuneration of Ms. Reena P. Bhagwati (DIN:00096280) as a Jt. Managing Director

Item No. 5 of the Notice relates to the approval of remuneration structure of Ms. Reena P. Bhagwati, as Jt. Managing Director of the Company, whose present remuneration terms will expire on 30th September, 2018. She was appointed in 33rd AGM as Jt. Managing Director of the Company liable to retire by rotation for a period of 5 years with effect from 1st October, 2015 to 30th September, 2020. The new terms of remuneration of Jt. Managing Director will be effective for 2 years from 1st October, 2018 to 30th September, 2020.

The proposed remuneration is proposed hereunder subject to the approval of members in the 36th Annual general Meeting of the Company. The terms and conditions of remuneration are as under:-

REMUNERATION:

a) Salary:

Rs. 1,00,000/- per month or within an overall limit of Rs. 1,25,000/- per month.

b) Leave Encashment:

The Jt. Managing Director shall be entitled to fully paid leave as per the Company's Rules. Encashment of leave at the end of the tenure is permitted and shall not be included in the computation of the ceiling on perquisites, specified above.

c) Other Benefits:

Such other benefits amenities and facilities as per the company's rules within the overall limit of Rs. 1,25,000/- per month.

Memorandum of Interest:-

Ms. Reena P. Bhagwati, is interested in the above resolution to the extent for remuneration received by her and Dr. Pravin N. Bhagwati, is concerned or interested in the above resolution as being relative of Ms. Reena P. Bhagwati.

The Draft Agreement to be entered in to with the Jt. Managing Director is open for inspection by Members on any working day between 3.00 p.m. to 5.00 p.m. at the Registered Office of the Company.

No other Directors, KMPs and their relatives are concerned or interested, financial or otherwise, in the proposed resolution.

Item No. 6

To appoint Mr. Vimal R. Ambani (DIN:00351512), as Independent Director

Pursuant to the provisions of Section 161 of the Companies Act, 2013 (the Act) and applicable rules made thereunder, the Board has appointed Mr. Vimal R. Ambani (DIN:00351512) as an Additional Non-executive director (Independent Director) with effect from 12th December, 2017. In terms of Section 149, 152 and 161 of the Act, read with the relevant Rules, he holds office as an Additional Director upto the date of the ensuing Annual General Meeting and being eligible, offers himself for appointment as a Director. The Nomination and Remuneration Committee has recommended and the Board at its meeting held on 12th December, 2017 has approved the appointment of Mr. Vimal R. Ambani as an Independent Director as per his letter of appointment for a period of five years from the ensuing Annual General Meeting subject to approval of members.

Mr. Vimal R. Ambani is a Bachelor in Electrical Engineering with specialization in VLSIC & MBA from USA. He has a rich and vast experience in the fields of marketing, production, finance, accounts and manpower management.

Mr. Vimal R. Ambani has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the Board, he fulfills the conditions specified in the Act and the rules framed thereunder for appointment as an Independent Director and he is independent of the Management.

The terms and conditions of the appointment of Mr. Vimal R. Ambani as an Independent Director of the Company shall be opened for inspection at the registered office of the Company during office hours on all working days except Saturdays and Sundays between 11:00 a.m. to 01:00 p.m. upto the date of AGM. He does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

In compliance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013, his appointment as a Non-Executive Independent Director is now being placed before the Members for their approval.

Except Mr. Vimal R. Ambani, being an appointee, none of the Directors, KMPs and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6.

Item No. 7

To consider and determine the fees for delivery of any document through a particular mode of delivery to a member

As per the provisions of section 20 of the Companies Act, 2013 a document may be served on any member by sending it to him by Post or by Registered post or by Speed post or by Courier or by delivering at his office or address or by such electronic or other mode as may be prescribed. It further provides that on receipt of specific request for delivery of document to him through a particular mode for which he shall pay such fees as may be determined by the company in its Annual General Meeting.

Since the Companies Act, 2013 requires the fees to be determined in the Annual General Meeting, the Directors accordingly recommend the resolution at item no. 7 of the accompanying notice, for the approval of the members of the Company.

None of the Directors, KMPs and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item no. 7 of the accompanying Notice.

Place : Ahmedabad
Date : 26/05/2018

By order of the Board of Directors
For, Bhagwati Autocast Limited

Registered Office :
Survey No. 816, Village Rajoda,
Near Bavla, Dist. Ahmedabad – 382 220.
CIN: L27100GJ1981PLC004718
e-mail: autocast@bhagwati.com
Website: www.bhagwati.com

Dr. Pravin N. Bhagwati
Chairman and MD
DIN : 00096799

Route Map of the 36th Annual General Meeting:

Prominent location: Nr. Bavla, Dist. Ahmedabad

Full Address : Survey No. 816,
Village-Rajoda, Nr. Bavla,
Ahmedabad-382220, Gujarat



BHAGWATI AUTOCAST LIMITED

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting the **THIRTY SIXTH ANNUAL REPORT** and audited accounts for the financial year ended March 31, 2018. The performance of the Company for the financial year ended on March 31, 2018 is summarized below.

01. FINANCIAL HIGHLIGHTS :

	(Amount Rs. in Lakhs)		
For the year Ended		For the year Ended	
31/03/2018		31/03/2017	
Earnings before interest, depreciation and taxation (EBIDTA)			
451.25		520.16	
Less: Interest & finance charges	94.47	72.50	
Profit/(Loss) before depreciation & taxation			
356.78		447.66	
Less: Depreciation	211.49	224.48	
(Loss)/ Profit before tax			
145.29		223.18	
Less: Provision for income tax			
[1] Current Tax	63.37	83.04	
[2] Deferred Tax	(14.44)	3.73	
Profit / (Loss) for the Year			
96.36		136.41	
Excess (Short) Provision for Tax for earlier year			
14.56		(8.64)	
Add : Other Comprehensive income			
(1.16)		13.72	
Add : Surplus of last year brought forward			
706.09		592.35	
Surplus available for appropriation			
815.85		733.84	

02. REVIEW OF OPERATIONS:

During the year under review, Your Company's revenue increased by 16.02% and profit before Tax decreased by 34.90%. This is due to price hike of major raw materials like MS scrap, Pig Iron, etc., and not compensated by customers in time.

During the year, there was steep increase in demand for the first half and later on remained sluggish even though your Company's production increased by 15% on year to year basis. Further, the Company has increased power demand from 2200 to 2500 KVA and 2500 to 2800 KVA to meet the demand increased from customers and hence your Company expects to increase 25% in sales and production in coming years, i.e. 2018-19, and also hope for good margin due to higher volume.

03. DIVIDEND :

The Board of Directors recommend dividend of Rs.0.80 per Equity Share (8% on the face value of Rs. 10/- each) for the year ended on March 31, 2018 (Previous year paid dividend of Rs. 0.80 per equity shares, i.e. rate of 8%) subject to the approval of shareholders at the ensuing Annual General Meeting.

04. TRANSFER TO RESERVES :

Your Company has not transferred any amount to General Reserves. Your Company has retained amount of Rs. 815.84 Lakhs in the Statement of Profit and Loss.

05. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND :

The Company has transferred Rs. 0.95 Lakhs to the Investor Education and Protection Fund established by the Central Government during the financial year 2017-18, as unclaimed dividend after expiry of seven years for the year ended March 31, 2010.

06. PUBLIC DEPOSITS :

During the financial year 2017-18, your Company has not accepted or renewed any deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014 and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

07. SHARE CAPITAL :

The paid up equity share capital as on March 31, 2018 was Rs. 2.88 Crores. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. The Company has also not purchased of its own shares by employees or by trustees for the benefit of employees.

08. LISTING :

The Equity shares of the Company continue to be listed on BSE Limited (Security Code: 504646) and required Listing fees for the year 2017-18 has been paid.

09. EXTRACT OF THE ANNUAL RETURN :

Pursuant to the provisions of Section 92(3) of the Companies Act, 2013, the details forming part of the extract of the Annual Return for the financial year ended March 31, 2018 in form MGT-9 is annexed herewith as "Annexure A".

10. THE DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO :

The Information required to be disclosed in the report of the Board of Directors as per the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 is annexed herewith as "Annexure B".

11. DIRECTORS :

A) Changes in Directors and Key Managerial Personnel

Mr. Vimal R. Ambani (DIN: 00351512), who have appointed as Additional Director of the Company by the Board with effect from December 12, 2017 under section 161 of the Companies Act, 2013, holds office upto the date of forthcoming Annual General Meeting and who is eligible and confirming that they meet with the criteria of independence as prescribed both under Section 149(6) of the Companies Act, 2013. The Board of directors recommends his appointment as an Independent Director of the Company.

As per provision of the Companies Act, 2013, Ms. Reena P. Bhagwati retires by rotation in the forthcoming Annual General Meeting and being eligible offered herself for re-appointment. The Board of Directors recommends her re-appointment.

B) Declaration by an Independent Director(s) and re-appointment, if any

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the

criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013.

An independent director shall hold office for a term up to five consecutive years on the Board of the Company, but shall be eligible for reappointment for next five years on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

C) Annual evaluation by the board of its own performance, its committees and individual directors

The Board of Directors of the Company has initiated and put in place evaluation of its own performance, its committees and individual directors. The result of the evaluation is satisfactory and adequate and meets the requirement of the Company.

D) Policy on Directors' appointment and remuneration

(Including criteria for determining qualification, positive attributes, independence of a Director, policy relating to remuneration for Directors, Key Managerial Personnel and other employees)

Policy on Directors' appointment

Policy on Directors' appointment is to follow the criteria as laid down under the Companies Act, 2013, the Listing Agreement with Stock Exchanges and good corporate practices. Emphasis is given to persons from diverse fields or professions.

Policy on Remuneration

Guiding Policy on remuneration of Directors, Key Managerial Personnel and employees of the Company is that –

- Remuneration to unionised workmen is based on the periodical settlement with the workmen union.
- Remuneration to Key Managerial Personnel, Senior Executives, Managers, Staff and Workmen (non Unionised) is industry driven in which it is operating taking into account the performance leverage and factors such as to attract and retain quality talent.
- For Directors, it is based on the shareholders resolutions, provisions of the Companies Act, 2013 and Rules framed therein, circulars and guidelines issued by Central Government and other authorities from time to time.

12. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS :

The Board of Directors has met 4 times and Independent Directors once during the year ended 31st March, 2018.

13. AUDIT COMMITTEE :

The Composition of Audit Committee of the Company is as under:

Sr. No.	Name of Director	Designation
1.	Mr. R. J. Shah	Chairman
2.	Mr. P. H. Buch	Member
3.	Ms. R. P. Bhagwati	Member
4.	Mr. V. R. Ambani	Member

14. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES :

The Company has formulated Vigil Mechanism named Whistle Blower Policy with a view to report concern about unethical behavior, actual or suspected fraud. This policy provides mechanism for employee of the Company of any violation and to approach the chairman of the Audit Committee of the Company who shall investigate into the same and recommend suitable action to the management.

15. NOMINATION AND REMUNERATION COMMITTEE :

The Board has on recommendation of nomination and remuneration committee, framed a policy for selection and appointment of Director, senior management and their remuneration.

16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 :

There is no loan given, investment made, guarantee given or security provided by the Company to any entity under Section 186 of the Companies Act, 2013.

17. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES :

The particulars of every contract or arrangements entered into by the Company with related parties referred to in section 188(1) of the Companies Act, 2013 including certain arms length transactions under third proviso thereto is disclosed in Form No. AOC -2 is annexed herewith as "Annexure C".

18. PARTICULAR OF SUBSIDIARY/ JOINT VENTURE/ ASSOCIATE COMPANY :

The Company does not have any subsidiary, Joint Venture and Associate Company.

19. RISK MANAGEMNET :

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Your Company periodically assesses risks in the internal and external environment, along with the cost of treating risks and incorporates risk treatment plans in its strategy, business and operational plans.

Your Company, through its risk management process, strives to contain impact and likelihood of the risks within the risk appetite as agreed from time to time with the Board of Directors.

There are no risks which in the opinion of the Board threaten the existence of your Company.

20. CORPORATE SOCIAL RESPONSIBILITY :

The provision of Corporate Social Responsibility is not applicable to your Company.

21. THE NUMBER OF COMPLAINTS RELATING TO CHILD LABOUR, FORCED LABOUR, INVOLUNTARY LABOUR, SEXUAL HARASSMENT IN THE LAST FINANCIAL YEAR AND THOSE PENDING AS ON THE END OF THE FINANCIAL YEAR :

Sr. No.	Category	No. of Complaints filed during the financial year	No. of Complainants pending as on end of the financial year
1.	Child labour/forced labour/ Involuntary labour	NIL	NIL
2.	Sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013.	NIL	NIL

22. INFORMATION REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 :

- A. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary or Manager, if any during the financial year 2017-18, and ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18:

BHAGWATI AUTOCAST LIMITED

Sr.No.	Name	Designation	Remuneration	Increase (%)
1.	Dr. P. N. Bhagwati	Chairman & Managing Director	16.51	-
2.	Ms. R. P. Bhagwati	Jr. Managing Director	02.79	-
3.	Mr. P. H. Buch	Independent Director	0.06	-
4.	Mr. R. J. Shah	Independent Director	0.06	-
5.	Mr. V. R. Ambani	Additional Non-Executive Director	0.03	-
3.	Mr. D. K. Sheth	Chief Financial Officer	Not Applicable	04.95%
5.	Mr. M. C. Naliyadhara	Company Secretary	Not Applicable	11.00%

Notes

1. The remuneration of Independent/ Additional Non-Executive Directors includes only sitting fees paid to them for the financial year 2017-18.
2. Median remuneration of the Company for all its employee is Rs. 4,30,458/- for financial year 2017-18.
- B. Percentage increase in the median remuneration of employees in the financial year : 9.75%
- C. Number of permanent employees on the rolls of the Company : 72 as on 31st March, 2018
- D. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
On an average, employees received an annual increase of 10%. The individual increments varied from 7% to 14%, based on individual performance. The increase in remuneration is in line with the market trends. In order to ensure that remuneration reflects Company performance, the performance pay is also linked to organization performance, apart from an individual's performance.
- E. Affirmation that the remuneration is as per the Remuneration policy of the Company:

It is affirmed that the remuneration is as per the Remuneration policy of the Company.

23. MANAGEMENT DISCUSSION AND ANALYSIS:

Pursuant to the Regulation 34(2) of the SEBI (LODR) Regulations, 2015, the report relevant to Management discussion and analysis forming part of the Annual report for the year under review is annexed herewith as "Annexure D".

24. AUDITORS :

1) STATUTORY AUDITORS :

M/s. Mahendra N. Shah & Co., Chartered Accountants (FRN: 105775W) Ahmedabad were appointed as Statutory Auditor of the Company for a term of 5 (five) consecutive years, at the 34th Annual General Meeting held on September 21, 2016 upto the conclusion of the 39th Annual General Meeting at a remuneration as may be mutually agreed between the Board of directors of the Company and the Auditors.

The Company has received relevant letters/ certificates from them to the effect that they have not disqualified from continuing as Statutory Auditors of the Company within the prescribed limits under Section 141 of the Companies Act, 2013.

EXPLANATION OR COMMENTS ON AUDITORS' REPORT :

There are no adverse observations, Notes made by the Auditors in their report so there are no comments by Directors on Auditors Notes.

2) INTERNAL AUDITORS :

Pursuant to the provisions of Section 138 of the Companies Act, 2013, the Board of directors of the Company has appointed M/s. Mehta Sheth & Associates, Chartered Accountants (FRN:

106238W) Ahmedabad as an Internal auditor of the Company for the financial year 2018-19.

3) SECRETARIAL AUDITOR :

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of directors has appointed M/s. Samdani Shah & Kabra, Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year 2017-18. The Report of the Secretarial Audit Report is annexed herewith as "Annexure E".

The Board has appointed M/s. Chirag Shah & Associates, Company Secretaries, Ahmedabad as Secretarial auditor of the Company for the financial year 2018-19.

25. DIRECTORS' RESPONSIBILITY STATEMENT :

In terms of Section 134(3) of the Companies Act, 2013, in relation to the Financial Statements for FY 2017-18, the Board of Directors states that:

- (a) in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors have prepared the annual accounts on a going concern basis;
- (e) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

26. HUMAN RESOURCES :

Many initiatives have been taken to support business through organizational efficiency, process change support and various employee engagement programmes which has helped the Organization achieve higher productivity levels. A significant effort has also been undertaken to develop leadership as well as technical/ functional capabilities in order to meet future talent requirement.

27. CHANGE IN THE NATURE OF BUSINESS, IF ANY :

No change in nature of the business of the Company occurred during the year.

24. PROHIBITION OF INSIDER TRADING :

The Company has adopted a Code of Conduct for Prohibition of Insider Trading with regulate trading in securities by the Directors and designated employee of the Company. The Board is responsible for implementation of the Code. The code requires preclearance for dealing in the Company's shares and prohibits

the purchase or sale of Company shares by the Directors and the designated employee while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading window is closed. The relevant policy is available on the Company's website.

25. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT :

No other material changes have taken place after completion of the financial period up to the date of this report which may have substantial effect on business and finances of the company and which are required to be disclosed in this Report.

26. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

27. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Company has an internal control system, commensurate with the size, scale and complexity of its operations. To maintain its objectives and independence, the internal Audit function reports to the chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficiency and adequacy of Internal Control System in the

Company, its compliance with operating system, accounting procedures and policy of the Company. Based on the report of internal audit function, process owners undertake corrective action and thereby strengthen the controls. Significant audit observation and corrective actions thereon are presented to the audit committee of the board.

28. General:

(i). Insurance :

The assets of the company including Plant and Machineries, Factory Building, Stocks, Stores, Vehicles etc. have been adequately insured.

(ii). Industrial Relations :

During the year under review, your Company enjoyed cordial relationship with the workers and employees at all the levels.

(iii). Acknowledgement :

Your Directors thanks to various Central and State Government Departments, Organizations and Agencies for the continued co-operation and support extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

Place : Ahmedabad

Date : 26/05/2018

By order of the Board of Directors

For, Bhagwati Autocast Limited

Dr. Pravin N. Bhagwati

Chairman & Managing Director

DIN : 00096799

ANNEXURE "A" TO THE BOARD REPORT

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and Other Details :

CIN	L27100GJ1981PLC004718
Registration Date	20th October, 1981
Name of the Company	BHAGWATI AUTOCAST LIMITED
Category of Sub Category of the Company	Company Limited by Share
Address of the Registered office and Contact details	Survey No. 816, Village Rajoda, Near Bavla , Ahmedabad- 382 220 Gujarat Tel No. (02714) 232283 / 232983 / 232066
Whether Listed Company	Yes
Name, address and Contact details of Registrar and Transfer Agent, if Any	MCS Share Transfer Agent Limited 201, Shatdal Complex, 2nd Floor, Opp Bata Show Room, Ashram Road, Ahmedabad, Gujarat, 380 009 Tel No. 079 26580461/62/63

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / Services	NIC code of the product/service	% to total turnover of the company
1	Iron casting	24319	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

Sr. No.	Name and address of the Company	CIN/GLN	Holding/Subsidiary /Associate	% of Shares Held	Applicable Section
----- N.A. -----					

BHAGWATI AUTOCAST LIMITED

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PER CENTAGE OF TOTAL EQUITY)

i) Category-wise share holding

Category of Share holders	No. of Shares held at the beginning of the year (01.04.2017)				No. of Shares held at the end of the year (31.03.2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1167794	-	1167794	40.54	1284727	-	1284727	44.60	04.06
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	589315	-	589315	20.46	589315	-	589315	20.46	0.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	1757109	-	1757109	61.00	1874042	-	1874042	65.06	04.06
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other...	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	1757109	-	1757109	61.00	1874042	-	1874042	65.06	04.06
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	300	300	0.01	-	300	300	0.01	0.00
b) Banks / FI	-	1	1	0.00	-	0	0	0.00	0.00
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	301	301	0.01	-	300	300	0.01	0.00
2. Non- Institutions									
a) Bodies Corp.									
i) Indian	39938	8855	48793	01.70	64842	3338	68180	02.37	0.67
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	582656	195117	777773	26.99	566457	136964	703421	24.42	(02.57)
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	202778	-	202778	07.04	90409	-	90409	03.14	(3.90)
c) Others i) HUFs	31005	-	31005	01.08	26208	-	26208	0.91	(0.17)
ii) NRI	13540	49385	62925	02.19	13980	47707	61687	02.14	(0.05)
iii) IEPF authority MCA	0	0	0	0.00	56437	-	56437	01.96	01.96
Sub-total (B)(2):-	869917	253357	1123274	39.00	818333	188009	1006342	34.93	(04.06)
Total Public Shareholding (B) = (B)(1) + (B)(2)	869917	253658	1123575	39.00	818333	188309	1006642	34.94	(04.06)
C. Shares held by Custodian for GDRs & ADRs									
	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	2627026	253658	2880684	100	2692375	188309	2880684	100	-

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2017			Share holding at the end of the year 31.03.2018			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total Shares	
1	Bhagwati Spherocast Pvt. Ltd.	574746	19.95	0.00	574746	19.95	0.00	-
2	Ms. Reena P. Bhagwati	672173	23.33	0.00	787104	27.32	0.00	03.99
3	Dr. Pravin N. Bhagwati	450432	15.64	0.00	450432	15.64	0.00	-
4	Ms. Aanal P. Bhagwati	45189	01.57	0.00	47191	01.64	0.00	0.07
5	Bhagwati Filters Pvt. Ltd.	14569	0.51	0.00	14569	0.51	0.00	-
	Total	1757109	61.00	0.00	1874042	65.06	0.00	04.06

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Name of the Promoters/ Promoters Group	Shareholding at the beginning of the year		Increase/ decrease during the year	Date wise increase/ decrease	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the company				No. of Shares	% of Total Shares of the company
1.	Dr. Pravin N. Bhagwati	450432	15.64	-	-	-	450432	15.64
2.	Ms. Reena P. Bhagwati	672173	23.33	95	11.05.2017	Transfer	672268	23.34
				131	12.05.2017	Transfer	672399	23.34
				8200	31.05.2017	Transfer	680599	23.63
				7000	01.06.2017	Transfer	687599	23.87
				7755	05.06.2017	Transfer	695354	24.14
				15465	06.06.2017	Transfer	710819	24.68
				100	14.06.2017	Transfer	710919	24.68
				220	19.06.2017	Transfer	711139	24.69
				11100	21.07.2017	Transfer	722239	25.07
				3542	04.08.2017	Transfer	725781	25.19
				3550	11.08.2017	Transfer	729331	25.32
				1250	24.08.2017	Transfer	730581	25.36
				32	29.08.2017	Transfer	730613	25.36
				1000	04.09.2017	Transfer	731613	25.40
				100	19.10.2017	Transfer	731713	25.40
				2262	27.10.2017	Transfer	733975	25.48
				85	30.10.2017	Transfer	734060	25.48
				3519	31.10.2017	Transfer	737579	25.60
				60	01.11.2017	Transfer	737639	25.61
				103	02.11.2017	Transfer	737742	25.61
				448	03.11.2017	Transfer	738190	25.63
				263	06.11.2017	Transfer	738454	25.63
				50	07.11.2017	Transfer	738503	25.64
				651	08.11.2017	Transfer	739154	25.66
				213	09.11.2017	Transfer	739367	25.67
				50	10.11.2017	Transfer	739417	25.67
				224	15.11.2017	Transfer	739641	25.68
				200	16.11.2017	Transfer	739841	25.68
				809	17.11.2017	Transfer	740650	25.71
				51	20.11.2017	Transfer	740701	25.71
				6170	27.12.2017	Transfer	746871	25.93
				203	17.01.2018	Transfer	747074	25.93

BHAGWATI AUTOCAST LIMITED

Sr. No.	Name of the Promoters/ Promoters Group	Shareholding at the beginning of the year		Increase/ decrease during the year	Date wise increase/ decrease	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the company				No. of Shares	% of Total Shares of the company
				565	18.01.2018	Transfer	747639	25.95
				1400	19.01.2018	Transfer	749039	26.00
				198	22.01.2018	Transfer	749237	26.01
				950	24.01.2018	Transfer	750187	26.04
				1001	30.01.2018	Transfer	751188	26.08
				1740	31.01.2018	Transfer	752928	26.14
				3957	15.02.2018	Transfer	756885	26.27
				3620	16.02.2018	Transfer	760505	26.40
				2799	19.02.2018	Transfer	763304	26.50
				2616	20.02.2018	Transfer	765920	26.59
				718	21.02.2018	Transfer	766638	26.61
				150	22.02.2018	Transfer	766788	26.62
				6280	08.03.2018	Transfer	773068	26.84
				355	13.03.2018	Transfer	773423	26.85
				756	14.03.2018	Transfer	774179	26.87
				510	19.03.2018	Transfer	774689	26.89
				640	20.03.2018	Transfer	775329	26.91
				448	22.03.2018	Transfer	775777	26.93
				2905	23.03.2018	Transfer	778682	27.03
				6617	26.03.2018	Transfer	785299	27.26
				1805	27.03.2018	Off market	787104	27.32
3.	Ms. Aanal P. Bhagwati	45189	01.57	100	19.10.2017	Transfer	45289	01.57
				1902	21.02.2018	Transfer	47191	01.64
4.	Bhagwati Spherocast Pvt. Ltd.	574746	19.95	-	-	-	574746	19.95
5.	Bhagwati Filters Pvt. Ltd.	14569	0.51	-	-	-	14569	0.51

* Date of transfer has been considered as the date on which the beneficiary position was provided by the Depositories to the Company.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For each of the Top 10 shareholders	Shareholding at the beginning of the year		Change in Shareholding (No. of shares)		Shareholding at the end of the year	
		No. of Shares	% of Total Shares of the company	Increase	Decrease	No. of Shares	% of Total Shares of the company
1.	Mahendra Girdharilal	69572	02.42	-	-	69572	02.42
2.	IEPF Authority MCA	0	0.00	-	-	56437	01.96
3.	Lincoln P Coelho	50000	01.74	-	50000	0	0.00
4.	Sharad Kanayalal Shah	32000	01.11	-	32000	0	0.00
5.	P P Zibi Jose	30369	01.05	-	30369	0	0.00
6.	Latin Manharlal Securities Pvt. Ltd.	0	0.00	-	-	25937	0.90
7.	Lata Bhanshali	20837	0.72	-	-	20837	0.72
8.	Chanchalben Raajibhai Patel	20424	0.71	-	-	20424	0.71
9.	Atul Prabhulal Ghiya	11692	0.41	-	-	11692	0.41
10.	Mili Consultants & Investments Pvt Ltd	12426	0.43	-	2000	10426	0.36
11.	Vallabh Roopchand Bhanshali	10400	0.36	-	-	10400	0.36
12.	Shashi Rani Gupta	10103	0.35	-	-	10103	0.35
13.	Vashumati Papatlal Shah	0	0.00	-	-	8501	0.29

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For each of the Directors and KMP Name of the Directors/KMP	Shareholding at the beginning of the year		Change in Shareholding (No. of shares)		Shareholding at the end of the year	
		No. of Shares	% of Total Shares of the company	Increase	Decrease	No. of Shares	% of Total Shares of the company
1.	Dr. Pravin N. Bhagwati	450432	15.64	-	-	450432	15.64
2.	Ms. Reena P. Bhagwati	672173	23.33	114931*	-	787104	27.32
3.	Mr. Padmin H. Buch	-	-	-	-	-	-
4.	Mr. Rajendraprasad J. Shah	-	-	-	-	-	-
5.	Mr. Vimal R. Ambani	-	-	-	-	-	-
6.	Mr. D. K. Sheth	10	0.003	-	-	10	0.003
7.	Mr. M. C. Naliyadhara	-	-	-	-	-	-

*Date wise change of Ms. Reena P. Bhagwati is given in change in Promoter's shareholding.

V. INDEBTEDNESS
Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amount Rs. in lakhs)

	Secured Loans excluding deposits ^	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	98.09	168.20	-	266.29
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	98.09	168.20	-	266.29
Change in Indebtedness during the financial year				
• Addition	498.63	105.50	-	604.13
• Reduction	(98.09)	-	-	(98.09)
Net Change	400.54	105.50	-	506.04
Indebtedness at the end of the financial year				
i) Principal Amount	498.63	273.70	-	772.33
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	498.63	273.70	-	772.33

^ An amount of working capital facilities was included in secured loans.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Amount Rs. in lakhs)

Sr. No.	Particulars of remuneration	Name of MD		Total Amount
		Dr. P. N. Bhagwati (MD)	Ms. R. P. Bhagwati (Jt. M.D.)	
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	64.56	12.00	76.56
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.45	-	0.45
2.	Stock Option	-	-	-
3.	Sweet Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others, specify	-	-	-
5.	Others, please specify (Contribution to provident Funds, Contribution to Superannuation Fund and Medical Reimbursement, Reimbursement of Expenses)	06.01	-	06.01
	Total (A)	71.02	12.00	83.02

Ceiling as per the Act : The total managerial remuneration payable shall not exceed ten percent of net profit of the Company or if the same exceeds, it shall be within the limits of Schedule V Part II of the Companies Act, 2013. The remuneration paid to managing directors during the year is within the statutory limit as specified above.

BHAGWATI AUTOCAST LIMITED

B. Remuneration to other directors :

(Amount Rs. in lakhs)

S. No.	Particulars of Remuneration	Name of Directors			Total
		Independent/Non-Executive Directors	Mr. P.H. Buch	Mr. R. J. Shah	
1.	Fee for attending board committee meetings	0.27	0.27	0.13	0.67
	Total	0.27	0.27	0.13	0.67

*Mr. V. R. Ambani was appointed as Additional Director (Non-Executive Ind.) w.e.f. December 12, 2017

C. Remuneration to key managerial personnel other than MD/Manager/WTD

(Amount Rs. in lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel's		
		D. K. Sheth (CFO)	M. C. Naliyadhara (CS)	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	35.56	3.01	38.57
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify...	-	-	-
5.	Others, please specify (Provident Fund)	1.58	0.14	1.72
	Total	37.14	3.15	40.29

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

**By Order of the Board of Director
For, BHAGWATI AUTOCAST LIMITED**

Dr. Pravin N. Bhagwati
Chairman & Managing Director
DIN : 00096799

Place : Ahmedabad
Date : 26/05/2018

**ANNEXURE "B" OF THE BOARD REPORT
CONSERVATION OF ENERGY, TECHNOLOGY
ABSORPTION, FOREIGN EXCHANGE EARNINGS AND
OUTGO.**
a) Measures Taken :

The Company has taken various measures for conservation of energy for last few years. During the year, the Company has taken following additional measures: -

- [1] Air Compressor air leakage arrested and practice developed to switch off during recess & Non-production hours from December, 2014.
- [2] Lighting, HPP Fans Cooling towers etc. Practice developed to switch off during recess & Non-production hours. Idle Running is also prevented.
- [3] Optimizing done in Furnaces operation
 1. To operate only three Furnaces
 2. Cold start only one hour before start of the shift.
 3. Controlling of power to avoid holding of Furnaces at pouring temperature by better synchronizing between melting and holding

FURTHER STEPS TO BE IMPLEMENTED

- [1] All mercury lamps will be replaced by metal induction lights & LED, saving potential 100 kwh/day.
- [2] A.C. Drive will be installed in mixture and compressor motors.
- [3] All air compressors will be operated in auto mode to save power consumption when air demand reduces saving potential is 500 kwh/day minimum.
- [4] All new/replacement motors will be of energy efficient type.
- [5] Air Compressors will be shifted near to equipment and all old pipe line with more resistance will be replaced by better quality having minimum resistance. Saving potential is 400 kwh/day minimum.
- [6] Cooling tower saver will be introduced.

b) Additional Investment and proposals, if any, being implemented for reduction of consumption of energy:

- [1] Induction motors between 10 to 20 HP will be replaced in phased manner.
- [2] Distribution transformer insulation will be replaced during reconditioning of transformer, which will bring down losses to optimum 6% to 3%.

c) Impact of the measures taken at (a) &(b) above for reduction of energy consumption:

Satisfactory impact of measures taken as above has been observed during the current year. However, further improvement may be possible when we reach to higher output.

Total energy consumption and energy consumption per unit of production as per Form A of the ANNEXURE in respect of industries specified in the Schedule thereto.

		<u>FORM - A</u>	
Particulars	<u>2017-18</u>	<u>2016-17</u>	
[A] Power & Fuels consumption :			
1. Electricity			
[a] Purchased			
- Units	16136730	13687470	
- Total Amount [Rs. Lacs]	1182.75	967.65	
- Rate / Unit [Rs.]	7.32	7.07	
[b] Own Generation			
(i) Through Diesel Generator			
- Units	6556	3805	
- Units per liter of diesel oil	3.24	3.60	
- Cost per unit [Rs.]	21.61	16.11	
(ii) Through Steam Turbine Generator			
- Units	Nil	Nil	
- Units per liter of Fuel Oil/Gas	Nil	Nil	
- Cost per Unit [Rs.]	Nil	Nil	
2. Coal	Nil	Nil	
3. Furnace Oil	Nil	Nil	
4. Others / Internal Generation	Nil	Nil	
[B] Consumption per unit of Production	Electricity	Electricity per	
	per MT of	MT of	
	Castings	Castings	
(i) C I Castings	1226	1237	
(ii) S G I Castings	1057	1067	

FORM : B
A. DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT (R & D) :
TECHNOLOGY ABSORPTION:
RESEARCH & DEVELOPMENT :

- (i) Specific areas in which R & D are carried out by the Company: -
 - [a] Study and improvement in the production process parameters of ductile iron and gray iron castings.
 - [b] After successful recertification of ISO-9001:2000 Evolving System approach to Total Quality Management.
- (ii) Benefits derived as a result of above R & D: -
 - [a] Quality improvement
 - [b] Cost Control
 - [c] Energy saving by controlling grade 500/7 in as cast condition.

B. FOREIGN EXCHANGE EARNINGS AND OUTGO:

There is no export of Castings during the year under review.

	<u>2017-18</u>	<u>2016-17</u>
	[Rs]	[Rs]
Total Foreign Exchange used	Nil	Nil
Total Foreign Exchange earned	Nil	Nil

**By Order of the Board of Director
For, BHAGWATI AUTOCAST LIMITED**

Place : Ahmedabad
Date : 26/05/2018

Dr. Pravin N. Bhagwati
Chairman & Managing Director
DIN : 00096799

BHAGWATI AUTOCAST LIMITED

Annexure "C" to the Board Report

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis

- Name(s) of the related party and nature of relationship- Nil
- Nature of contracts/arrangements/transactions – Nil
- Duration of the contracts / arrangements/transactions- Nil
- Salient terms of the contracts or arrangements or transactions including the value, if any- Nil
- Justification for entering into such contracts or arrangements or transactions- Nil
- Date(s) of approval by the Board- Nil
- Amount paid as advances, if any – Nil
- Date on which the special resolution was passed in general meeting as required under first proviso to section 188- Nil

2. Details of material contracts or arrangement or transactions at arm's length basis-

- Name(s) of the related party and nature of relationship – Bhagwati Spherocast Pvt. Ltd.
Bhagwati Spherocast Pvt. Ltd. is related party within meaning of section 2(76) of the Companies Act, 2013.
- Nature of contracts/arrangements/transactions – Job work, supply of goods & availing or rendering of Services.
- Duration of the contracts / arrangements/transactions – 5 (Five) years with effect from 1st April, 2015 to 31st March, 2020.
- Salient terms of the contracts or arrangements or transactions including the value, if any:
 - Job work, supply of goods & rendering services upto Maximum amount of Rs. 350/-laks for each year
 - Contract shall be valid for 5 years however, if either of the party desires to terminate the agreement, it can be terminated by either party by giving 60 days notice.
 - No party shall transfer or assign its rights, obligations or liabilities under this agreement or any part thereof to any third party.
- Date(s) of approval by the Board, if any: 25.07.2014
- Amount paid as advances, if any: Nil

**By Order of the Board of Director
For, BHAGWATI AUTOCAST LIMITED**

Place : Ahmedabad
Date : 26/05/ 2018

Dr. Pravin N. Bhagwati
Chairman & Managing Director
DIN : 00096799

Annexure "D" to the Board Report

MANAGEMENT DISCUSSION AND ANALYSIS

(Pursuant to Regulation 34(2) of the SEBI (LODR) Regulation, 2015)

COMPANY PROFILE

Bhagwati Autocast Limited (BAL) is manufacturing Cast Iron (CI) & Spheroidal Graphite Iron (SGI) Castings having plant located at near Bavla, Ahmedabad. The Company is ISO 9001: 2015 certified (BUREAU VERITAS).

OVERALL REVIEW

The Company's production increased by 18.66% during the year 13163 (MT) as compared to the previous year production of 11092 (MT). In terms of total Revenue generated during the year is highlighted as follows:

	2017-18	2016-17
CI Castings	90.73	77.83
SGI Castings	0.61	1.73
Patterns	0.74	0.05
Net Revenue from Operations	92.08	79.61
Other Operating Revenue	0.27	0.00
Other Income	0.20	0.02
Total Revenue	92.55	79.63

(Rs. in Crores)

While detailed financial position and performance are available in the Balance Sheet, Statement of Profit & Loss, along with related notes forming part of the financial statements for the year 2017-18.

INDUSTRY STRUCTURE AND DEVELOPMENTS

As the Company's product range can be categorized in implements to various tractor, compressor industry manufacturers. It would be appropriate to take a look at the trends that are prevailing in relevant automobile sectors.

Indian tractor industry is growing on a faster pace in the world, in terms of volume. While commercial vehicle industry have a mix of local and international players, in the Fiscal 2018, despite the factors like demonetization, the domestic tractor industry has shown an impressive growth of 20% against drop of 18% in fiscal 2017. Commercial vehicle has shown a growth of 12% in fiscal 2018 against growth of 7% in fiscal 2017.

OUTLOOK, OPPORTUNITIES AND DEVELOPMENTS

After remaining in de-growth trajectory for almost two years, the domestic tractor industry bounced back to growth track in FY 2017-18 and registered a handsome growth of 20%. The automobile industry also performed well and is sustaining its momentum. It is expected that the tractor and automobile industries will perform good in the near term. Factors like government continuous thrust on strengthening rural sector, infrastructure development, make in India, skill India, and launch of new models by vehicle manufactures, changing buying pattern, replacement demand etc. along with another good monsoon forecast and overall improvement in economic fundamentals will be the positive drivers for tractor and automobile industries in the medium to long term. The optimistic outlook of tractor and automobile industries will give boost to the demand for auto components as well and as a component supplier, the prospects of Company's business also looks good.

Under "Make in India" initiative of Indian government, India is poised to become manufacturing hub. The Automobile sector is one of the prominent sectors to contribute to the manufacturing industry in India.

THREATS, RISKS & CONCERNS

As your Company supplies components to tractor OE manufacturers, the Company would be directly affected by the factors impacting tractor industry. These would include issues like quantum of rains spread, Government policy on procurement, enforcement of safety / emission regulations, availability of credit, change in interest rates, commodity price trends, increasing intensity of competition etc.

INTERNAL CONTROL SYSTEM AND ADEQUACY

The Company has established procedures in place for internal control. The policies and procedures have been laid down with an objective to provide reasonable assurance that assets of the Company are safeguarded from risks of unauthorized use / disposition and the transactions are recorded and reported with propriety, accuracy and speed. These aspects are regularly reviewed during internal audit and statutory audit. The Company has also laid down adequate internal financial controls. Internal Audit Reports are reviewed by the Audit Committee of the Board from time to time. During the year, such controls were tested and no material weakness in their operating effectiveness was observed.

HUMAN RESOURCES

The Company has a highly committed, loyal and dedicated team. Many initiatives have been taken to support business through organizational efficiency, process change support and various employee engagement programmes which has helped the Organization achieve higher productivity levels. A significant effort has also been undertaken to develop leadership as well as technical/ functional capabilities in order to meet future talent requirement. The Company promotes an atmosphere which encourages learning and informal communication within the organization. Industrial relations were cordial throughout the year under review.

CAUTIONARY STATEMENT

Statement in the Management Discussion and Analysis Report describing company's objectives and expectations may constitute "forward looking statements" based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized by the Company. Actual results might differ materially from those either expressed or implied.

**By Order of the Board of Director
For, BHAGWATI AUTOCAST LIMITED**

Place : Ahmedabad
Date : 26/05/ 2018

Dr. Pravin N. Bhagwati
Chairman & Managing Director
DIN : 00096799

Annexure "E" to the Board Report
Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2018

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Bhagwati Autocast Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bhagwati Autocast Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company (books, papers, minute books, forms and returns filed and other records maintained by the company) and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31.03.2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not Applicable during the audit period**);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (**Not Applicable during the audit period**);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not Applicable during the audit period**);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - (**Not Applicable during the audit period**);
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not Applicable during the audit period**);
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosures and Requirement) Regulation 2015;
 - (j) Other laws specifically applicable to the company, as per the representation made by the company.
 1. Factories Act, 1948
 2. Gujarat Pollution Control Board (Environment Pollution Act)

BHAGWATI AUTOCAST LIMITED

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s), - BSE Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Place: Ahmedabad
Date: 26/05/2018

Chirag Shah
Partner
Samdani Shah & Kabra
FCS No. 5545
C P No.: 3498

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

'Annexure A'

To,
The Members,
Bhagwati Autocast Limited

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

3. We believe that audit evidence and information obtain from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad
Date: 26/05/2018

Chirag Shah
Partner
Samdani Shah & Kabra
FCS No. 5545
C P No.: 3498

Independent Auditor's Report

To
The Members of
Bhagwati Autocast Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **BHAGWATI AUTOCAST LIMITED ("the Company")** which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Ind AS Financial Statements").

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors report) Order, 2016 ("The Order") issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the Annexure "A" statement on the matter specified in paragraphs 3 & 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with relevant rules issued thereunder.
- (e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and operating effectiveness of such controls, refer to our separate report in Annexure "B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to best of our information and according to the explanation given to us :
 1. The Company has disclosed the impact of pending litigation on its financial position in its standalone Ind AS financial statements. Refer to Note No. 35 to the standalone Ind AS financial statements.
 2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For and on behalf of
Mahendra N. Shah & Co.
Chartered Accountants
Firm's registration No. : 105775W

CA Chirag M. Shah
Partner
Membership No. : 45706

Place : Ahmedabad
Date : 26/05/2018

BHAGWATI AUTOCAST LIMITED

Annexure “A” to the Independent Auditors’ Report

(Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirements’ of our report of even date to the standalone Ind AS financial statements of the Company for the year ended March 31, 2018)

1. In respect of Fixed Assets :

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of five years, which in our opinion, is reasonable having regard to the size of the Company and nature of its business. According to information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties are in the name of the Company.

2. In respect of Inventories:

According to information and explanation given to us, physical verification of inventories has been conducted in reasonable interval by the management and no material discrepancies were noticed on physical verification during the year.

3. According to information and explanation given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
4. In our opinion and according to the information and explanations given to us, the Company has not granted loan or made investment or given guarantee or provided security as provided in the section 185 and 186 of the Companies Act, 2013.
5. According to information and explanation given to us, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
6. The Central Government has prescribed maintenance of Cost Records under section 148(1) of the Companies Act, 2013 in respect of manufacturing activities of the Company. We have broadly reviewed the accounts and records of the Company in this connection and are of the opinion, that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate or complete.

7. According to information and explanations given to us in respect of statutory dues and on the basis of our examination of the books of accounts and records of the Company,

- (a) the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Income-Tax, Sales tax, Service Tax, Goods & Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were in arrears as at March 31, 2018 for a period of more than six months from the date on when they become payable.
- (b) According to the information and explanations given to us, there are no material dues of income tax, sales tax, service tax, value added tax, wealth tax, duty of customs and Cess which have not been deposited with the appropriate authorities on account of any dispute, except demand for excise duty as mentioned below:

Name of the Statute	Nature of dues	Amount Rs in (lakhs)	Period to which the amount relates	Forum where the dispute is pending
Excise	Demand	3.92	F.Y. 02-03	CESTAT
Excise	Demand	3.39	F.Y. 03-04	CESTAT
Excise	Demand	2.35	F.Y. 04-05	CESTAT
Excise	Demand	1.87	F.Y. 05-06	CESTAT

8. In our opinion and according to information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
9. According to the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans during the year. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company.
10. According to the information and explanations given by the management, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
11. In our opinion and according to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
13. In our opinion and according to information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details of related party transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.

14. According to the information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
15. According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
16. In our opinion and according to information and explanations given to us, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and

accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For and on behalf of
Mahendra N. Shah & Co.
Chartered Accountants
Firm's registration No. : 105775W

CA Chirag M. Shah
Partner
Membership No. : 045706

Date : 26/05/2018
Place : Ahmedabad

**Annexure 'B' to the
Independent Auditors report****Report on the Internal Financial Controls under Clause (1)
of Sub-section 3 of Sec.143 of the Companies Act,
2013("the Act")**

We have audited the internal financial controls over financial reporting of Bhagwati Autocast Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls systems over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting.

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purpose in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company. (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company, and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting was operating effectively as on March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the guidance note on Audit of Internal Financial Controls Over Financial Reports issued by the Institute of Chartered Accountants of India.

For and on behalf of
Mahendra N. Shah & Co.
Chartered Accountants
Firm's registration No. : 105775W
CA Chirag M. Shah
Partner
Membership No. : 045706

Date : 26/05/2018
Place : Ahmedabad

BALANCE SHEET AS AT 31ST MARCH, 2018

		(Rs. in Lakhs)		
	Note Nos.	As at 31 st March, 2018	As at 31 st March, 2017	As at 31 st March, 2016
I ASSETS				
1) Non-current assets				
(a) Property, Plant and Equipment	3	1,437.72	1,475.37	1,594.40
(b) Capital work-in-progress		1.62	0.00	0.00
(c) Intangible assets	4	10.30	13.95	15.20
(d) Financial Assets				
(i) Loans	5	47.64	2.98	3.04
(e) Other non-current assets	6	4.11	0.25	0.00
Total Non-current Assets		1,501.39	1,492.55	1,612.64
2) Current assets				
(a) Inventories	7	651.92	534.24	437.64
(b) Financial Assets				
(i) Trade receivables	8	2,933.39	2,102.07	1,939.39
(ii) Cash and cash equivalents	9	55.83	51.22	10.60
(iii) Bank balances other than (ii) above	10	22.84	18.20	18.37
(iv) Loans	11	0.00	0.04	0.52
(v) Other Financial Assets	12	0.16	5.88	4.60
(c) Current Tax Assets (Net)	13	8.29	9.76	36.29
(d) Other current assets	14	65.40	66.73	46.81
Total Current Assets		3,737.83	2,788.14	2,494.22
TOTAL ASSETS		5,239.22	4,280.69	4,106.86
II EQUITY AND LIABILITIES				
1) Equity				
(a) Equity Share capital	15	288.07	288.07	288.07
(b) Other Equity	16	1,860.80	1,778.80	1,661.58
Total Equity		2,148.87	2,066.87	1,949.65
2) LIABILITIES				
Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	17	0.00	44.82	98.09
(b) Provisions	18	33.02	38.49	44.19
(c) Deferred tax liabilities (Net)	19	124.70	139.72	129.22
(d) Other non-current liabilities	20	0.00	13.33	13.33
Total Non-current Liabilities		157.72	236.36	284.83
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	21	772.33	772.46	388.84
(ii) Trade payables	22	1,930.70	986.82	1,240.27
(iii) Other financial liabilities	23	159.02	179.09	188.27
(b) Other current liabilities	24	60.22	11.19	11.23
(c) Provisions	25	10.36	27.90	43.77
Total Current Liabilities		2,932.63	1,977.46	1,872.38
TOTAL EQUITY AND LIABILITIES		5,239.22	4,280.69	4,106.86
Significant Accounting Policies and Notes to the Financial Statements		1-46		

As per our report of even date attached

For Mahendra N. Shah & Co.
Chartered Accountants
Firm Regn. No. 105775W

Chirag M. Shah
Partner
Membership No. 045706

Dr. P. N. Bhagwati
Chairman & Managing Director
(DIN : 00096799)

Reena P. Bhagwati
Jt. Managing Director
(DIN : 00096280)

D. K. Sheth
Chief Financial Officer

P. H. Buch
Director
(DIN : 03411816)

R. J. Shah
Director
(DIN : 01982424)

Mehul Naliyadhara
Company Secretary

Place : Ahmedabad
Date : 26-05-2018

Place : Ahmedabad
Date : 26-5-2018

BHAGWATI AUTOCAST LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

		<u>2017-18</u>	<u>2016-17</u>
	Note No.		(Rs. in Lakhs)
I INCOME			
Revenue from operations	26	9,235.07	7,960.09
II Other Income	27	20.30	2.67
III TOTAL REVENUE (I+II)		9,255.37	7,962.76
IV EXPENSES			
Cost of materials consumed	28	3,860.17	2,783.56
Excise Duty on Sales		284.27	917.62
Purchases of Stock-in-Trade		66.43	30.78
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	29	18.23	(88.75)
Employee benefits expense	30	1,120.62	972.03
Finance costs	31	94.47	72.50
Depreciation and amortization expense	32	211.49	224.48
Other expenses	33	3,454.40	2,827.36
Total Expenses (IV)		9,110.08	7,739.58
Profit/(loss) before exceptional items and tax		145.29	223.18
Exceptional Items		0.00	0.00
V Profit/(Loss) before tax (IV - V)		145.29	223.18
VI Tax Expense			
(1) Current Tax		63.37	83.04
(2) Deferred Tax Provision / (Reversal)		(14.44)	3.73
(3) Short/(Excess) Provision of tax for earlier years		(14.56)	8.64
VII Profit/(Loss) for the year (V - VI)		110.92	127.77
VIII Other Comprehensive Income			
(A) (i) Items that will not be reclassified to profit or loss		(1.74)	20.49
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.58	(6.77)
IX Total Comprehensive Income for the year (VII + VIII)		109.76	141.49
X Earning per Equity Shares of Rs. 10 each			
(1) Basic	34	3.85	4.44
(2) Diluted	34	3.85	4.44
Significant Accounting Policies and Notes to the Financial Statements	1 - 46		

As per our report of even date attached

For Mahendra N. Shah & Co.
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Mehul Naliyadhara
Company Secretary

Place : Ahmedabad
Date : 26-05-2018

Place : Ahmedabad
Date : 26-5-2018

CASHFLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2018

Particulars	(Rs. in Lakhs)	
	<u>2017-18</u>	<u>2016-17</u>
[A] CASH FLOW FROM OPERATING ACTIVITIES :		
Profit/(loss) before exceptional items and tax	145.29	223.18
<u>Adjustments for :</u>		
Depreciation and Amortization	211.49	224.48
Interest and other borrowing costs	94.47	72.50
Interest Income	(4.13)	(1.47)
Sundry Balances written off / written back	(16.13)	19.51
Actuarial gains/ (losses) on post employment defined benefit plans	(1.74)	20.49
Loss on Sale / Discard of Fixed Assets	4.14	0.00
Operating Profit before Working Capital Changes	433.39	558.69
Adjustment for :		
Trade & Other Receivables	(883.16)	(202.86)
Inventories	(117.67)	(96.61)
Trade & Other Payables	1,005.60	(281.61)
Cash Generated From Operations	438.16	(22.39)
Direct Taxes Paid	(47.35)	(65.15)
NET CASH FLOW FROM OPERATING ACTIVITIES	390.81	(87.54)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(175.96)	(104.20)
Interest Received	9.85	0.19
Sale of Fixed Assets	0.00	0.00
NET CASH USED IN INVESTING ACTIVITIES	(166.11)	(104.01)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings (Net)	(98.09)	(54.52)
Increase/(Decrease) in short term borrowings (Net)	(0.14)	383.63
Interest Paid	(94.47)	(72.50)
Dividend Paid	(27.39)	(24.44)
NET CASH USED IN FINANCING ACTIVITIES	(220.09)	232.17
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	4.61	40.62
Opening Balance of Cash and Cash Equivalents	51.22	10.60
Closing Balance of Cash and Cash Equivalents	55.83	51.22

As per our report of even date attached.

For Mahendra N. Shah & Co.
Chartered Accountants
Firm Regn. No. 105775W

Chirag M. Shah
Partner
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Dr. P. N. Bhagwati
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Mehul Naliyadhara
Company Secretary

Place : Ahmedabad
Date : 26-05-2018

Place : Ahmedabad
Date : 26-5-2018

BHAGWATI AUTOCAST LIMITED

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018

		<u>As at 31/03/2018</u>		<u>As at 31/03/2017</u>		<u>(Rs. in Lakhs)</u> <u>As at 0/04/2016</u>	
A. Equity Share Capital		Nos.	Rs. in Lakhs	Nos.	Rs. in Lakhs	Nos.	Rs. in Lakhs
Equity shares of Rs. 10 each							
Fully Paid up	2,880,684	288.07	2,880,684	288.07	2,880,684	288.07	
Less : Calls in Arrears	0	0.00	0	0.00	0	0.00	
	2,880,684	288.07	2,880,684	288.07	2,880,684	288.07	
B. Other Equity							
		Reserve and Surplus					
		Securities	Premium	General	Retained		Total
			Reserve	Reserve	Earnings		
Balance at 1st April, 2016			249.71	795.25	616.62		1,661.58
Total Comprehensive Income for the year 2016-17			0.00	0.00	141.49		141.49
Dividend			0.00	0.00	(20.16)		(20.16)
Corporate Tax on Dividend			0.00	0.00	(4.11)		(4.11)
Balance at 31st March, 2017			249.71	795.25	733.84		1,778.80
Balance at 1st April, 2017			249.71	795.25	733.84		1,778.80
Total Comprehensive Income for the Year 2017-18			0.00	0.00	109.76		109.76
Dividend			0.00	0.00	(23.05)		(23.05)
Corporate Tax on Dividend			0.00	0.00	(4.69)		(4.69)
Balance at 32st March, 2018			249.71	795.25	815.86		1,860.80

As per our report of even date attached

For Mahendra N. Shah & Co.
Chartered Accountants
Firm Regn. No. 105775W

Dr. P. N. Bhagwati
Chairman & Managing Director
(DIN : 00096799)

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(DIN : 01982424)

D. K. Sheth
Chief Financial Officer

Mehul Naliyadhara
Company Secretary

Place : Ahmedabad
Date : 26-05-2018

Place : Ahmedabad
Date : 26-5-2018

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2018
NOTE NO. 1 - Corporate Information:

Bhagwati Autocast Limited ("The Company") is a leading producer of CI & SGI Castings in Gujarat having a plant at Bavla, Ahmedabad. We are an ISO 9002 unit, having manufacturing capacity of 18000 MT p.a. of highly specialized Cast Iron(CI) & Spheroidal Graphite Iron (SGI) Castings. The wide range of castings is from 40 kg. to 140 kg. for the automobile and tractor OEM in the country.

The Company is a public company domiciled in India and is incorporated under the provisions of Companies Act applicable in India. Its shares are listed on Bombay Stock Exchange (BSE). The registered office of the company is located at Bavla, Ahmedabad. At present, the Company caters to domestic market only.

The financial statements were authorized for issue in accordance with a resolution of the directors on May 26, 2018.

NOTE NO. 2 – Significant Accounting Policies
2.1 Basis of Preparation:
Compliance with Ind as

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

These financial statements for the year ended 31st March, 2018 are the first financial statements with comparatives, prepared under Ind AS. For all previous periods including the year ended 31st March, 2017, the Company had prepared its financial statements in accordance with the accounting standards notified under companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the Act (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2016 being the date of transition to Ind AS.

Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- 1) certain financial assets and liabilities that are measured at fair value or amortized cost;
- 2) defined benefit plans - plan assets are measured at fair value;

Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakh as per the requirement of Schedule III, unless otherwise stated.

2.2 Use of Estimates:

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

2.3 Property, Plant & Equipment:

Property, plant and equipment are stated at cost, net of recoverable taxes, less depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and other cost directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a Straight Line Method over the estimated useful lives of assets.

The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II to the Act, and management believe that useful life of assets are same as those prescribed in Schedule II to the Act.

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

2.4 Intangible Assets

Computer software are stated at cost, less accumulated amortisation and impairments, if any.

Amortisation method and useful life

The Company amortizes computer software using the straight-line method over the period of 6 years.

2.5 Inventories:

Items of inventories of Raw Material, Finished goods, Spares and Stores, Packing Material, etc. are valued at lower of cost or net realizable value except waste which is valued at estimated net realizable value. Cost of inventories comprise of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition.

2.6 Financial Instruments (IND AS 109)
i. Recognition and initial measurement

All financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value Through Profit and Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss.

De-recognition

Financial assets

The company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The company de-recognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The company also de-recognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

Off-setting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

2.7 Revenue recognition

Revenue is measured at the value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty (upto June'17) and net of returns, trade allowances, rebates, discounts, value added taxes and amounts collected on behalf of third parties.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below.

Sale of goods

Sales are recognised when substantial risk and rewards of ownership are transferred to customer, In case of domestic customer, generally sales take place when goods are dispatched or delivery is handed over to transporter. In case of export customers, generally sales take place when goods are shipped onboard based on bill of lading.

Other revenue:

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable rate of interest.

Revenue in respect of insurance/other claims etc, is recognized only when it is reasonably certain that the ultimate collection will be made.

2.8 Goods and Service Tax / Service Tax input Credit:

Goods and Service tax / Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

2.9 Functional Currency:

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

2.10 Income tax

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

(a) Current Tax

Current tax includes provision for Income Tax computed under Special provision (i.e., Minimum alternate tax) or normal provision of Income Tax Act. Tax on Income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/appeals.

(b) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences, unabsorbed losses and unabsorbed depreciation to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and unabsorbed depreciation can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

(c) Minimum Alternate Tax (MAT):

MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised, it is credited to the Statement of Profit and Loss and is considered as (MAT Credit Entitlement). The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period. Minimum Alternate Tax (MAT) Credit are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence, it is presented as Deferred Tax Asset.

2.11 Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments

of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

2.12 Employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefit obligations

The liabilities for earned leave and sick leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Gratuity liability of employees is funded with the approved gratuity trusts.

Defined Contribution Plans

Defined Contribution Plans such as Provident Fund, etc., are charged to the Statement of Profit and Loss as incurred.

2.13 Borrowing costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to Statement of Profit and Loss.

2.14 Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.15 Impairment of Assets:

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable Value. An impairment loss is charged to the statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.16 Cash Flow Statements

The Cash Flow statement is prepared by the "Indirect method" set out in Ind AS-7 on "Cash Flow Statement" and presents the cash flows by operating, investing and financing activities of the Company. Cash and cash Equivalent presented in the cash flow statement consist of cash on hand and demand deposits with banks.

2.17 Events occurring after the balance sheet date (IND AS 10)

Assets and liabilities are adjusted for events occurring after the reporting period that provides additional evidence to assist the estimation of amounts relating to conditions existing at the end of the reporting period.

Dividends declared by the Company after the reporting period are not recognized as liability at the end of the reporting period. Dividends declared after the reporting period but before the issue of financial statements are not recognized as liability since no obligation exists at that time. Such dividends are disclosed in the notes to the financial statements.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2018
Note No. 3 Property, Plant and equipment

Particulars	(Rs in Lakhs)									
	Freehold Land	Building	Plant and Equipment	Electric Installation	Furniture and fixtures	Vehicle	Office equipment	Computer	Total	
Gross Carrying Value										
Balance as at 1st April, 2016	16.54	553.28	2595.05	104.03	84.95	34.95	24.25	33.80	3446.85	
Additions	0.00	4.88	93.28	3.30	0.00	0.00	0.12	2.61	104.19	
Disposals/Adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Balance as at 31st March, 2017	16.54	558.16	2688.33	107.33	84.95	34.95	24.37	36.41	3551.04	
Additions	0.00	7.82	126.11	34.81	2.28	0.00	0.64	1.60	173.26	
Disposals/Adjustment	0.00	0.00	82.88	0.00	0.00	0.00	0.00	0.00	82.88	
Balance as at 31st March, 2018	16.54	565.98	2731.56	142.14	87.23	34.95	25.01	38.01	3641.42	
Accumulated Depreciation										
Balance as at 1st April, 2016	0.00	183.63	1520.63	47.19	34.53	16.96	18.23	31.28	1852.45	
Deduction & Adjustment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Depreciation for the year	0.00	18.51	183.53	8.73	6.98	3.20	1.57	0.72	223.24	
Balance as at 31st March, 2017	0.00	202.14	1704.16	55.92	41.51	20.16	19.80	32.00	2075.69	
Deduction & Adjustment	0.00	0.00	78.74	0.00	0.00	0.00	0.00	0.00	78.74	
Depreciation for the year	0.00	15.26	167.03	9.29	7.05	3.07	1.33	3.74	206.77	
Balance as at 31st March, 2018	0.00	217.40	1792.45	65.21	48.56	23.23	21.13	35.74	2203.72	
Net Carrying amount										
Balance as at 1st April, 2016	16.54	369.65	1074.42	56.84	50.42	17.99	6.02	2.52	1594.40	
Balance as at 31st March, 2017	16.54	356.01	984.17	51.41	43.44	14.79	4.57	4.41	1475.37	
Balance as at 31st March, 2018	16.54	348.58	939.11	76.93	38.67	11.72	3.88	2.27	1437.72	

Note No. 4 - Intangible Assets - Computer Software

Particulars	Gross Amount		Amortization		Net Carrying amount	
	17-18	16-17	17-18	16-17		
Opening Balance	33.61	33.61	19.66	18.41	Balance as at 01/04/16	
Additions	1.08	0.00	4.72	1.25	Balance as at 31/03/17	
Deduction & Adjustment	0.00	0.00	0.00	0.00	Balance as at 31/03/18	
Closing Balance	34.69	33.61	24.38	19.66		

BHAGWATI AUTOCAST LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2018

	As at <u>31/03/2018</u>	As at <u>31/03/2017</u>	(Rs. in Lakhs) As at <u>31/03/2016</u>
NOTE NO. 5			
Loans (Non Current)			
Security Deposits (Unsecured)			
Considered good	47.64	2.98	3.04
TOTAL ...	<u>47.64</u>	<u>2.98</u>	<u>3.04</u>
NOTE NO. 6			
Other Non Current Assets			
Capital Advances (unsecured, considered good)	4.11	0.25	0.00
TOTAL ...	<u>4.11</u>	<u>0.25</u>	<u>0.00</u>
NOTE NO. 7			
Inventories			
Raw Materials	161.79	52.89	64.49
Work-in-Process	106.48	21.30	68.51
Finished Goods	115.87	209.36	103.93
Stock-in-trade	20.61	30.53	0.00
Stores & Spares	247.17	220.16	200.71
TOTAL ...	<u>651.92</u>	<u>534.24</u>	<u>437.64</u>
NOTE NO. 8			
Trade receivables (current)			
Unsecured			
Considered good	2,933.39	2,102.07	1,939.39
Doubtful	0.00	0.00	0.00
TOTAL ...	<u>2,933.39</u>	<u>2,102.07</u>	<u>1,939.39</u>
NOTE NO. 9			
Cash and cash equivalents			
Balance with banks	54.37	49.76	8.28
Cash on hand	1.46	1.46	2.32
TOTAL ...	<u>55.83</u>	<u>51.22</u>	<u>10.60</u>
NOTE NO. 10			
Bank balances other than mentioned in cash and cash equivalents			
Unclaimed Dividend	6.05	5.70	5.87
Fixed Deposits with Banks (under lien against bank guarantees)	16.79	12.50	12.50
TOTAL ...	<u>22.84</u>	<u>18.20</u>	<u>18.37</u>
NOTE NO. 11			
Loans (Current)			
Loans & Advance to Employee	0.00	0.04	0.52
TOTAL ...	<u>0.00</u>	<u>0.04</u>	<u>0.52</u>
NOTE NO. 12			
Other financial assets (Current)			
Interest receivable	0.16	5.88	4.60
TOTAL ...	<u>0.16</u>	<u>5.88</u>	<u>4.60</u>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2018

	(Rs. in Lakhs)		
	As at <u>31/03/2018</u>	As at <u>31/03/2017</u>	As at <u>31/03/2016</u>
NOTE NO. 13			
Current tax assets (Current)			
Advance Tax (net of provision)	8.29	9.76	11.86
MAT credit receivable	0.00	0.00	24.43
TOTAL . . .	<u>8.29</u>	<u>9.76</u>	<u>36.29</u>

NOTE NO. 14			
Other Current Assets			
Advance to suppliers (other than capital advances)	13.95	8.54	0.44
Balance with Govt. Authorities	35.51	42.16	32.95
Prepaid Expenses	11.92	7.95	11.61
Other Receivable	4.02	8.08	1.81
TOTAL . . .	<u>65.40</u>	<u>66.73</u>	<u>46.81</u>

NOTE NO. 15			
Share Capital			
Authorised Share Capital :			
Equity Shares of Rs. 10 each - Nos.	3,000,000	3,000,000	3,000,000
Equity Shares of Rs. 10 each - Rupees in Lakhs	300.00	300.00	300.00
Issued :			
Equity Shares of Rs. 10 each - Nos.	2,933,637	2,933,637	2,933,637
Equity Shares of Rs. 10 each - Rupees in Lakhs	293.36	293.36	293.36
Subscribed & Paid Up :			
Fully paid up - Nos.	2,880,684	2,880,684	2,880,684
Fully paid up - Rupees in Lakhs	288.07	288.07	288.07
Less : Calls in Arrears	0.00	0.00	0.00
TOTAL . . .	<u>288.07</u>	<u>288.07</u>	<u>288.07</u>

NOTE NO. 15.1			
The reconciliation of the no. of shares outstanding is set out below :			
Equity shares	Nos.	Nos.	Nos.
At the beginning of the year	2,880,684	2,880,684	2,880,684
Add : Issued during the year	0	0	0
Less : Bought back during the year	0	0	0
TOTAL . . .	<u>2,880,684</u>	<u>2,880,684</u>	<u>2,880,684</u>

NOTE NO. 15.2	Ms. Reena P. Bhagwati	Dr. Pravin N. Bhagwati	M/s. Bhagwati Spherocast Pvt. Ltd.
Details of shareholders holding more than 5% shares			
As at 31/03/18			
- in Nos.	787,104	450,432	574,746
- in Percentage	27.32%	15.64%	19.95%
As at 31/03/17			
- in Nos.	672,173	450,432	574,746
- in Percentage	23.33%	15.64%	19.95%
As at 31/03/16			
- in Nos.	637,179	450,432	574,746
- in Percentage	22.12%	15.64%	19.95%

Note No. 15.3
The Company has only one class of shares i.e. equity shares. All equity shares carry equal rights with respect to voting and dividend.

Note No. 15.4
In the event of liquidation of the Company, the equity shareholders shall be entitled to proportionate share of their holding in the assets remaining after distribution of all preferential amounts.

BHAGWATI AUTOCAST LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2018

Note No. 15.5

Subsequent to Balance Sheet date, the Board of Director has recommended a dividend of Rs. 0.80 per share to be paid on fully paid equity shares in respect of the Financial year ended on March 31, 2018. This equity dividend is subject to approval by shareholders at the ensuing Annual General Meeting and has not been included as a liability in these financial statements. The total estimated equity dividend to be paid is Rs. 23.05 lakhs and the dividend distribution tax thereon amounts to Rs. 4.74 Lakhs.

	As at <u>31/03/2018</u>	As at <u>31/03/2017</u>	(Rs. in Lakhs) As at <u>31/03/2016</u>
NOTE NO. 16			
Other Equity			
Share Premium	249.71	249.71	249.71
General Reserve :			
Balance as per last year	795.25	795.25	795.25
Add: Appropriations From Current year's Profit	0.00	0.00	0.00
Balance at the end of the Year	795.25	795.25	795.25
Surplus in Statement of Profit and Loss			
Balance at the beginning of the Year	733.84	616.62	538.20
Add: Profit after tax for the Year	109.76	141.49	78.42
Amount available for Appropriation	843.60	758.11	616.62
<u>Less : Appropriations</u>			
Dividend	23.05	20.16	0.00
Dividend Distribution Tax	4.69	4.11	0.00
Transferred to General Reserves	0.00	0.00	0.00
Total Appropriation	27.74	24.27	0.00
Balance at the end of the Year	815.86	733.84	616.62
T O T A L . . .	1,860.80	1,778.80	1,661.58

NOTE NO. 17

Borrowings (Non Current)

Secured			
Term Loan from Bank	0.00	44.82	98.09
T O T A L . . .	0.00	44.82	98.09

NOTE NO. 17.1

Details of Security and Repayment Terms

Nature of Security

Term loan from Bank of Baroda having outstanding balance as on 31st March 2018 amounting to Rs. Nil (31st March 2017 - Rs. 94.74 Lakhs and 31st March 2016 - Rs. 144.66 Lakhs) was secured by hypothecation of all fixed assets and equitable mortgage land (survey no. 816) and factory building and further guaranteed by managing director of the company.

Terms of Repayment

Repaid in December 2017

Rate of interest - Base Rate plus 1.90% as at date of repayment

NOTE NO. 18

Provisions (Non Current)

Accrued Leave Salary	33.02	38.49	44.19
T O T A L . . .	33.02	38.49	44.19

NOTE NO. 19

Deferred Tax Liabilities (Net)

Liability Relating to earlier years	139.72	129.22	87.90
Add/(Less): Liability/(Assets) for the year			
- Charged/(Credited) to P & L	(14.44)	3.73	41.32
- Charged/(Credited) to OCI	(0.58)	6.77	0.00
T O T A L . . .	124.70	139.72	129.22

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2018

	As at 31/03/2018	As at 31/03/2017	As at 31/03/2016
(Rs. in Lakhs)			
NOTE NO. 19.1			
Component of Deferred Tax Liabilities (Net)			
Depreciation	150.93	165.70	178.31
Employee Benefits	(26.23)	(25.98)	(49.09)
TOTAL . . .	124.70	139.72	129.22

NOTE NO. 20			
Other non current liabilities			
Retention Money	0.00	13.33	13.33
TOTAL . . .	0.00	13.33	13.33

NOTE NO. 21			
Borrowings (Current)			
Secured			
Working capital facilities from banks	498.63	604.26	320.64
Unsecured (Fixed deposits)			
-Loans From Directors	73.70	38.70	38.70
-Loans From Companies	200.00	129.50	29.50
TOTAL . . .	772.33	772.46	388.84

NOTE NO. 21.1
Details of Security and Interest of working capital facilities from banks
Nature of Security

Working capital facilities from Bank of Baroda having outstanding balance as on 31st March 2018 amounting to Rs. Nil (31st March 2017 - Rs. 604.26 Lakhs and 31st March 2016 - Rs. 320.64 Lakhs) was secured by hypothecation of stock of raw materials, consumable stores, stock in process, finished goods & book debts, plant & machinery and equitable mortgage of land (survey no. 816) and factory building and further guaranteed by managing director of the company.

Terms of Repayment & Interest

Repaid in December 2017

Rate of interest - MCLR (one year) plus 0.25 (S.P) plus 1.85%

Working capital facilities from Kotak Mahindra Bank Ltd. having outstanding balance as on 31st March 2018 amounting to Rs. 498.63 Lakhs (31st March 2017 - Rs. Nil and 31st March 2016 - Rs. Nil) is secured by first and exclusive charge on all existing and future current and movable fixed assets and equitable mortgage of land (old survey no. 816).

Disbursed in December 2017

Rate of interest - MCLR (6 months) plus 0.70%

NOTE NO. 21.2

Rate of interest for deposits from directors and companies - 13.5% p.a.

NOTE NO. 22
Trade Payables (Current)

Trade Payables	1,930.70	986.82	1,240.27
TOTAL . . .	1,930.70	986.82	1,240.27

NOTE NO. 22.1

There is no principal amount and interest overdue to Micro, Small and Medium Enterprises as at the year end. The information regarding Micro or small enterprises has been determined on the basis of information available with the management, which has been relied upon by the auditors.

NOTE NO. 23
Other Financial Liabilities (Current)

Current maturities of long-term debt	0.00	53.27	54.52
Unpaid dividends	6.03	5.68	5.85
Trade Payable - Capital Goods	42.62	19.22	36.49
Dues to Employees and others	110.37	100.92	91.41
TOTAL . . .	159.02	179.09	188.27

BHAGWATI AUTOCAST LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2018

	(Rs. in Lakhs)		
	As at	As at	As at
	<u>31/03/2018</u>	<u>31/03/2017</u>	<u>31/03/2016</u>
NOTE NO. 24			
Other Current liabilities			
Statutory Dues	57.22	10.11	10.74
Contractor's Retention Money	3.00	1.08	0.49
TOTAL . . .	<u>60.22</u>	<u>11.19</u>	<u>11.23</u>
NOTE NO. 25			
Provisions (Current)			
Accrued Leave Salary	7.06	1.25	4.50
Superannuation Contribution	0.00	0.00	7.20
Gratuity Contribution	3.30	0.00	20.52
Excise Duty (On Finished goods Stock)	0.00	26.65	11.55
TOTAL . . .	<u>10.36</u>	<u>27.90</u>	<u>43.77</u>
NOTE NO. 26		2017-18	2016-17
Revenue from operations			
Sale of products (including excise duty)		9,208.42	7,960.09
Other Operating Revenue			
Reversal of Excise Duty (On Finished Goods Stock)		26.65	0.00
TOTAL . . .		<u>9,235.07</u>	<u>7,960.09</u>
NOTE NO. 26.1			
Sale of Products			
Name of Products			
CI Castings		9,073.47	7,782.84
SGI Castings		61.39	172.64
Patterns		73.56	4.61
TOTAL . . .		<u>9,208.42</u>	<u>7,960.09</u>
NOTE NO. 27			
Other income			
Interest income		4.13	1.46
Sundry balances written back		16.17	1.21
TOTAL . . .		<u>20.30</u>	<u>2.67</u>
NOTE NO. 28			
Cost of materials consumed			
Opening Stock		52.89	64.49
Add : Purchases		3,969.07	2,771.96
Less : Closing Stock		161.79	52.89
TOTAL . . .		<u>3,860.17</u>	<u>2,783.56</u>
NOTE NO. 29			
Changes in Inventories of Finished goods, WIP and Waste			
Closing Stock			
Finished Goods		115.87	209.36
Work in Progress		106.48	21.30
Stock-in-trade		20.61	30.53
Sub Total		<u>242.96</u>	<u>261.19</u>
Opening Stock			
Finished Goods		209.36	103.93
Work in Progress		21.30	68.51
Stock-in-trade		30.53	0.00
Sub Total		<u>261.19</u>	<u>172.44</u>
Total (Increase) / Decrease In Stock		<u>18.23</u>	<u>(88.75)</u>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2018

	(Rs. in Lakhs)	
	<u>2017-18</u>	<u>2016-17</u>
NOTE NO. 30		
Employee benefit expense		
Salaries and wages	965.96	822.40
Contribution to provident and other funds	38.48	36.10
Gratuity	15.76	14.29
Managerial Remuneration		
- Salary, Allowances & Perks	77.26	77.32
- Provident Fund	5.76	5.76
Staff welfare expenses	17.40	16.16
TOTAL . . .	<u>1,120.62</u>	<u>972.03</u>
NOTE NO. 31		
Finance Costs		
Interest Expenses	78.20	62.89
Other Borrowing Costs	16.27	9.61
TOTAL . . .	<u>94.47</u>	<u>72.50</u>
NOTE NO. 32		
Depreciation and Amortisation expense		
Depreciation on Tangible Assets	206.77	223.23
Amortization of Intangible Assets	4.72	1.25
TOTAL . . .	<u>211.49</u>	<u>224.48</u>
NOTE NO. 33		
Other expenses		
Consumption of stores and spares	1,374.47	1,082.84
Power and fuel [Refer Note No. 45]	1,182.75	967.65
Processing Charges	659.31	548.74
Repairs to Buildings	20.49	5.38
Repairs to Machinery	9.70	13.86
Other Repair & Maintenance	38.17	22.05
Legal & Professional Fees	47.08	43.97
Sales and Distribution Expenses	57.10	50.38
Travelling and conveyance	8.22	8.32
Directors' Sitting Fees	0.67	0.39
Auditors' Remuneration	1.48	1.70
Loss on Sale / Discard of Fixed Assets	4.14	0.00
Sundry Balances Written off	0.04	20.72
Excise Duty Expenses (On Finished Goods Stock)	0.00	15.11
Miscellaneous Expenses	50.78	46.25
TOTAL . . .	<u>3,454.40</u>	<u>2,827.36</u>
NOTE NO. 33.1		
Auditor's Remuneration		
Audit fees*	1.23	1.44
Tax audit fees	0.17	0.17
Reimbursement of expenses	0.08	0.09
TOTAL . . .	<u>1.48</u>	<u>1.70</u>

*Previous year's figures of audit fees are inclusive of Service Tax.

BHAGWATI AUTOCAST LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2018

(Rs. in Lakhs)

NOTE NO. 34 - Earning per Share

Earning Per share is calculated by dividing the Profit / (Loss) attributable to the Equity Shareholders by the weighted average number of Equity Shares outstanding during the year. The numbers used in calculating basic and diluted earning per Equity Share as stated below:

Particulars	2017-18	2016-17
Profit/(Loss) for the year	110.92	127.77
Less: Dividend on Preference Shares	0.00	0.00
Net Profit / (Loss) attributable to Equity Shareholders	110.92	127.77
Add/Less: Extra Ordinary Items	0.00	0.00
Profit / (Loss) after taxation before Extra Ordinary Items	110.92	127.77
Number of shares outstanding during the Year		
Number of Equity Shares for Basic EPS	2,880,684	2,880,684
Add : Diluted Potential Equity Shares	0.00	0.00
Number of Equity Shares for Diluted EPS	2,880,684	2,880,684
Basic Earning Per Share in Rupees	3.85	4.44
Diluted Earning Per Share in Rupees	3.85	4.44
Nominal Value Per Share in Rupees	10	10

NOTE NO. 35

Contingent Liabilities and Commitments

Demands for excise duty in respect of different years against which company has preferred appeals before appropriate authorities [Refer Note No. 35.1]	11.53	11.53
Show cause notice for reversal of CENVAT credit for service tax	24.53	0.00
Bonus for employees for the year 2014-15 in accordance with notification by the Central Government (matter pending before Supreme Court)	13.96	13.96
Outstanding bank guarantees & letter of credit	167.71	125.00

Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	50.04	0.87
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NOTE NO. 35.1

The Company has received demand for excise duty on sale of patterns & moulding boxes for financial years 2001-02, 2002-03, 2003-04, 2004-05 & 2005-06 against which the Company has preferred appeals before Commissioner of excise as well as CESTAT and also paid Rs. 11.53 lakhs under protest which has been shown as balance with excise department in the accounts.

NOTE NO. 36 - Segment Information

The company manufactures and deals in single product, i.e. manufacturing of casting and therefore, no separate disclosure as per IND AS 108 "Operating Segments" is given.

NOTE NO. 37 - Disclosures as required by Indian Accounting Standard (Ind As) 19 "Employee Benefits"

(a) Defined contribution plans

Contribution to defined contribution plans, recognised as expense for the year is as under :

Particulars	2017-18	2016-17
Employee's contribution to Provident Fund	44.24	41.86

(b) Defined benefit plan

Details of defined benefit obligation and plan assets in respect of retiring gratuity are given below :

i) Reconciliation of opening and closing balances of defined benefit obligation

Present value of obligation as at the beginning of the year	348.87	316.54
Interest Cost	24.42	24.22
Current Service Cost	13.30	13.13
Benefits Paid	(30.09)	(9.99)
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	0.00	11.10
Actuarial (Gain)/Loss on arising from Experience Adjustment	(12.33)	(6.13)
Present value of obligation as at the end of the year	<u>344.17</u>	<u>348.87</u>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2018

(Rs. in Lakhs)

ii) Reconciliation of opening and closing balances of fair value of plan assets

Particulars	2017-18	2016-17
Fair Value of plan assets at the beginning of the year	355.05	296.02
Interest Income	21.97	23.04
Contributions by the employer	8.00	20.52
Benefits paid	(30.09)	(9.99)
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	2.04	0.00
Return on plan assets excluding amount included in net interest on the net defined benefit liability/(assets)	(16.11)	25.46
Fair Value of plan assets at the end of the year	340.86	355.05

iii) Reconciliation of fair value of assets and obligations

Particulars	2017-18	2016-17
Fair Value of plan assets	340.86	355.05
Present value of obligation	344.17	348.87
Amount recognised in Balance Sheet [Surplus/(Deficit)]	(3.31)	6.18

iv) Expenses recognised during the year

Particulars	2017-18	2016-17
(A) In the Statement of Profit & Loss		
Current Service Cost	13.30	13.13
Net interest on the net defined benefit liability/(assets)	2.45	1.18
Net Cost	15.75	14.31
(B) In Other Comprehensive Income		
Actuarial (Gain)/Loss	(12.33)	(6.13)
Return on plan assets excluding amount included in net interest on the net defined benefit liability/(assets)	16.11	(25.46)
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(2.04)	11.10
Net Expense/(Income) recognised in Other Comprehensive Income	1.74	(20.49)

v) Investment Details :

Particulars	2017-18	2016-17
GOI Securities	54%	52%
Bank Balance & Fixed Deposits	42%	45%

vi) Actuarial Assumptions

Particulars	IALM 2006-08 Ult.	IALM 2006-08 Ult.
Mortality Table		
Discount Rate	7%	7%
Expected rate of return on plan assets	7%	7.65%
Withdrawal Rate	1%	1%
Rate of escalation in salary	6%	6%

vii) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis on defined benefit obligation is given below:

Particulars	2017-18	2016-17
Sensitivity Level - Discount Rate		
1% Increase	(17.30)	(16.84)
1% Decrease	18.90	18.47
Sensitivity Level - Salary Escalation		
1% Increase	18.90	18.47
1% Decrease	(17.62)	(17.15)
Sensitivity Level - Employee Turnover		
1% Increase	0.62	0.66
1% Decrease	(0.67)	(0.72)

viii) Expected contribution to the defined benefit plan for the next reporting period - Rs. 10 Lakhs.

BHAGWATI AUTOCAST LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2018

(Rs. in Lakhs)

NOTE NO. 38 - Related Party Disclosures as per Indian Accounting Standard-24

Related Parties

Entities controlled by Directors or their relatives	Bhagwati Spherocast Pvt. Ltd. Bhagwati Filters Pvt. Ltd.
Key Management Personnel	Dr. P. N. Bhagwati (Managing Director) Ms. Reena P. Bhagwati (Jt. Managing Director) Mr. D. K. Sheth (Chief Financial Officer) Mr. Mehul Naliyadhara (Company Secretary)

Transactions with related parties :

Particulars	Key Management Personnel and their relatives		Entities Controlled by Directors or their relatives		Total	
	<u>2017-18</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2016-17</u>
A Transactions during the year						
i. Purchase of services (net of service tax/GST credit)						
-Bhagwati Spherocast Pvt. Ltd.	0.00	0.00	222.03	177.37	222.03	177.37
ii. Purchase of capital goods (net of GST)						
-Bhagwati Spherocast Pvt. Ltd.	0.00	0.00	8.01	0.00	8.01	0.00
iii. Interest on Fixed Deposits						
-Bhagwati Spherocast Pvt. Ltd.	0.00	0.00	25.43	10.45	25.43	10.45
-Bhagwati Filters Pvt. Ltd.	0.00	0.00	3.98	3.98	3.98	3.98
-Dr. Pravin N Bhagwati	3.20	3.20	0.00	0.00	3.20	3.20
-Ms. Reena P Bhagwati	6.00	0.00	0.00	0.00	6.00	0.00
iv. Managerial Remuneration						
-Dr. Pravin N Bhagwati	71.02	71.08	0.00	0.00	71.02	71.08
-Ms. Reena P Bhagwati	12.00	12.00	0.00	0.00	12.00	12.00
-Mr. D K Sheth	37.14	35.39	0.00	0.00	37.14	35.39
-Mr. Mehul Naliyadhara	3.15	2.01	0.00	0.00	3.15	2.01
v. Fixed Deposits received/renewed						
-Bhagwati Spherocast Pvt. Ltd.	0.00	0.00	200.00	100.00	200.00	100.00
-Bhagwati Filters Pvt. Ltd.	0.00	0.00	0.00	29.50	0.00	29.50
-Dr. Pravin N Bhagwati	23.70	23.70	0.00	0.00	23.70	23.70
-Ms. Reena P Bhagwati	50.00	0.00	0.00	0.00	50.00	0.00
vi. Fixed Deposits repaid						
-Bhagwati Filters Pvt. Ltd.	0.00	0.00	29.50	0.00	29.50	0.00
B Outstanding balance						
i. Creditors						
-Bhagwati Spherocast Pvt. Ltd.	0.00	0.00	176.42	9.99	176.42	9.99
-Dr. Pravin N Bhagwati	3.35	3.32	0.00	0.00	3.35	3.32
-Ms. Reena P Bhagwati	0.69	0.69	0.00	0.00	0.69	0.69
-Mr. D K Sheth	1.66	1.98	0.00	0.00	1.66	1.98
-Mr. Mehul Naliyadhara	0.24	0.21	0.00	0.00	0.24	0.21
ii. Fixed Deposits						
-Bhagwati Spherocast Pvt. Ltd.	0.00	0.00	200.00	100.00	200.00	100.00
-Bhagwati Filters Pvt. Ltd.	0.00	0.00	0.00	29.50	0.00	29.50
-Dr. Pravin N Bhagwati	23.70	23.70	0.00	0.00	23.70	23.70
-Ms. Reena P Bhagwati	50.00	0.00	0.00	0.00	50.00	0.00

The above related party transactions have been reviewed periodically by the Board of Directors of the Company vis-a-vis the applicable provisions of the Companies Act, 2013, and justification of the rates being charged/ terms thereof and approved the same.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2018

(Rs. in Lakhs)

Note No. 39 - Financial Instruments - Fair Values & Risk Management
Note No. 39.1 - Accounting Classifications & Fair Value Measurements

The fair values of the financial assets and liabilities are measured at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

All financial instruments are initially recognized and subsequently re-measured at fair value as described below :

1. Fair values of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short-term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on the evaluation, allowances are taken to account for the expected losses of these receivables.

The company uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation technique:

Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 : Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

I Figures as at April 01, 2016

	Carrying Amount	Fair value	
		Level 1	Level 2
Financial assets at amortised cost:			
Trade Receivables	1,939.39	0.00	1,939.39
Cash and Cash Equivalents	10.60	0.00	10.60
Bank Balances Other than Cash and Cash Equivalents	18.37	0.00	18.37
Other Current & Non Current Financial Assets	8.16	0.00	8.16
Sub-total	1,976.52	0.00	1,976.52
Financial assets at fair value through profit or loss	0.00	0.00	0.00
Financial assets at fair value through OCI	0.00	0.00	0.00
Total	1,976.52	0.00	1,976.52
Financial liabilities at amortised cost:			
Borrowings (Non-Current)	98.09	0.00	98.09
Borrowings (Current)	388.84	0.00	388.84
Trade Payables	1,240.27	0.00	1,240.27
Other financial liabilities	188.27	0.00	188.27
Sub-total	1,915.47	0.00	1,915.47
Financial liabilities at fair value through profit or loss	0.00	0.00	0.00
Financial liabilities at fair value through OCI	0.00	0.00	0.00
Total	1,915.47	0.00	1,915.47

II Figures as at March 31, 2017

	Carrying Amount	Fair value	
		Level 1	Level 2
Financial assets at amortised cost:			
Trade Receivables	2,102.07	0.00	2,102.07
Cash and Cash Equivalents	51.22	0.00	51.22
Bank Balances Other than Cash and Cash Equivalents	18.20	0.00	18.20
Other Current & Non Current Financial Assets	8.89	0.00	8.89
Sub-total	2,180.38	0.00	2,180.38
Financial assets at fair value through profit or loss	0.00	0.00	0.00
Financial assets at fair value through OCI	0.00	0.00	0.00
Total	2,180.38	0.00	2,180.38

BHAGWATI AUTOCAST LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2018

(Rs. in Lakhs)

Financial liabilities at amortised cost:			
Borrowings (Non-Current)	44.82	0.00	44.82
Borrowings (Current)	772.46	0.00	772.46
Trade Payables	986.82	0.00	986.82
Other financial liabilities	179.09	0.00	179.09
Sub-total	<u>1,983.19</u>	<u>0.00</u>	<u>1,983.19</u>
Financial liabilities at fair value through profit or loss	0.00	0.00	0.00
Financial liabilities at fair value through OCI	0.00	0.00	0.00
Total	<u>1,983.19</u>	<u>0.00</u>	<u>1,983.19</u>

III Figures as at March 31, 2018

	Carrying Amount	Fair value	
		Level 1	Level 2
Financial assets at amortised cost:			
Trade Receivables	2,933.39	0.00	2,933.39
Cash and Cash Equivalents	55.83	0.00	55.83
Bank Balances Other than Cash and Cash Equivalents	22.84	0.00	22.84
Other Current & Non Current Financial Assets	47.80	0.00	47.80
Sub-total	<u>3,059.86</u>	<u>0.00</u>	<u>3,059.86</u>
Financial assets at fair value through profit or loss	0.00	0.00	0.00
Financial assets at fair value through OCI	0.00	0.00	0.00
Total	<u>3,059.86</u>	<u>0.00</u>	<u>3,059.86</u>

Financial liabilities at amortised cost:			
Borrowings (Non-Current)	0.00	0.00	0.00
Borrowings (Current)	772.33	0.00	772.33
Trade Payables	1,930.70	0.00	1,930.70
Other financial liabilities	159.02	0.00	159.02
Sub-total	<u>2,862.05</u>	<u>0.00</u>	<u>2,862.05</u>
Financial liabilities at fair value through profit or loss	0.00	0.00	0.00
Financial liabilities at fair value through OCI	0.00	0.00	0.00
Total	<u>2,862.05</u>	<u>0.00</u>	<u>2,862.05</u>

Note No. 39.2 - Financial Risk Management

The company's Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

Note No. 39.2.1 - Credit Risk Management

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and ageing of accounts receivable. Individual risk limits are set accordingly. The aging analysis and break-up thereto is prepared, which is subject to pending settlement of claims and reconciliation of accounts.

(a) The ageing analysis trade receivables from the date the invoice falls due is given below :

Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Up to 3 months	2,571.36	1,719.51	1,495.32
3 to 6 months	119.07	61.37	171.24
6 to 12 months	101.75	201.15	50.48
Beyond 12 months	141.21	120.04	222.35
Total	<u>2,933.39</u>	<u>2,102.07</u>	<u>1,939.39</u>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2018
(Rs. in Lakhs)

(b) Details of single customer accounted for more than 10% of the accounts receivable as at 31st March 2018, 31st March 2017 and 31st March 2016 :

Name of Customer	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Swaraj Engines Ltd.	598.50	322.99	332.27
Escorts Ltd.	1,670.75	1,528.47	1,239.82
Mahindra & Mahindra Ltd.	148.45	0.00	0.00
Mita India Pvt. Ltd.	510.40	181.13	256.63

(c) Details of single customer accounted for more than 10% of revenue for the year ended at 31st March 2018, 31st March 2017 and 31st March 2016 :

Name of Customer	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Escorts Ltd.	4,098.41	3,650.99	3,441.12
Swaraj Engines Ltd.	3,035.11	2,323.50	1,898.33
Mita India Pvt. Ltd.	1,647.72	958.07	950.04

(d) Based on historic default rates and overall credit worthiness of customers, management believes that no impairment allowance is required in respect of outstanding trade receivables as on 31st March, 2018.

Note No. 39.2.2 - Liquidity Risk

Liquidity Risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at reasonable price. The company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the company's net liquidity position through rolling forecast on the basis of expected cash flows.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Particulars	Borrowings including interest obligations	Trade Payables	Other Financial Liabilities	Total
A at 31-03-2018				
Less than 1 year	772.33	1,930.70	159.02	2,862.05
1 to 5 years	0.00	0.00	0.00	0.00
Total	772.33	1,930.70	159.02	2,862.05
A at 31-03-2017				
Less than 1 year	825.73	986.82	125.82	1,938.37
1 to 5 years	44.82	0.00	0.00	44.82
Total	870.55	986.82	125.82	1,983.19

Note No. 39.2.3 - Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loan borrowings.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, borrowing strategies, and ensuring compliance with market risk limits and policies.

BHAGWATI AUTOCAST LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2018

(Rs. in Lakhs)

a) Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the company's position with regards to the interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

With all other variables held constant, the following table demonstrates the impact of the borrowing cost on floating rate portion of loans and borrowings and excluding loans on which interest rate swaps are taken.

Nature of Borrowing	Change in basis points interest obligations	Impact on PAT		
		As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Working capital Facilities from Bank	(0.50) 0.50	1.67 (1.67)	2.02 (2.02)	1.07 (1.07)

b) Foreign currency risk

The company does not operate internationally and hence not exposed to currency risk on account of its receivables or payables in foreign currency.

c) Commodity Price Risk

Principal Raw Material for company's products is scrap and pig iron. Company sources its raw material requirements from domestic markets. Domestic market price generally remains in line with international market prices. Volatility in metal prices, currency fluctuation of rupee vis a vis other prominent currencies coupled with demand-supply scenario in the world market affect the effective price of scrap and pig iron. Company effectively manages availability of material as well as price volatility through well planned procurement and inventory strategy and also through appropriate contracts and commitments.

Sensitivity Analysis

The table below summarises the impact of increase/decrease in prices of scrap and pig iron by Rs. 0.50 per kg on profit for the period.

Particulars	Impact on PAT	
	2017-18	2016-17
Rs. 0.50 increase in price of scrap	(35.31)	(28.39)
Rs. 0.50 decrease in price of scrap	35.31	28.39
Rs. 0.50 increase in price of pig iron	(7.97)	(7.26)
Rs. 0.50 decrease in price of pig iron	7.97	7.26

Note No. 40 - Capital management

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirement of the financial covenants.

The company monitors capital using gearing ratio, which is net debt divided by total equity plus debt.

Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Borrowings	772.33	870.55	541.45
Less : Cash & Cash Equivalents	55.83	51.22	10.60
Net Debt (A)	716.50	819.33	530.85
Total Equity	2,148.87	2,066.87	1,949.65
Equity and Net Debt (B)	2,865.37	2,886.20	2,480.50
Gearing Ratio (A/B)	0.25	0.28	0.21

Note No. 41

Letters of balance confirmation have been sent to various parties which are subject to confirmation and reconciliation, if any.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2018
(Rs. in Lakhs)
Note No. 42

Previous year's figures have been re-grouped/re-arranged/re-casted, wherever necessary, so as to make them comparable with current year's figures.

Note No. 43

In the opinion of the Board, the current assets, loans and advances are approximately of the value stated in the balance sheet, if realised in the ordinary course of the business. Provision for depreciation and all known liabilities have been made in accounts.

Note No. 44

In terms of Ind AS 36 – Impairment of Assets issued by ICAI, the management has reviewed its fixed assets and arrived at the conclusion that impairment loss which is difference between the carrying amount and recoverable value of assets, was not material and hence no provision is required to be made.

Note No. 45

As permitted by CERC & GERC (Regulating authorities), the company has opted for purchase of power through approved Power exchange which has resulted in to gain of Rs. 4.37 Lakhs (Previous year Rs. 27.88 Lakhs) and power & fuel expenses are reduced to that extent.

Note No. 46 - First time adoption of Ind AS

The company has prepared its first Financial Statements in accordance with Ind AS for the year ended March 31, 2018. For periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). The effective date for Company's Ind AS Opening Balance Sheet is 1 April 2016 (the date of transition to Ind AS).

The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS Balance Sheet at April 01, 2016 (the Company's date of transition). According to Ind AS 101, the first Ind AS Financial Statements must use recognition and measurement principles that are based on standards and interpretations that are effective at March 31, 2018, the date of first-time preparation of Financial Statements according to Ind AS. These accounting principles and measurement principles must be applied retrospectively to the date of transition to Ind AS and for all periods presented within the first Ind AS Financial Statements.

Any resulting differences between carrying amounts of assets and liabilities according to Ind AS 101 as of April 01, 2016 compared with those presented in the Indian GAAP Balance Sheet as of March 31, 2016, were recognized in equity under retained earnings within the Ind AS Balance Sheet.

Note No. 46.1 - Reconciliation between statement of equity as previously reported (referred to as "Previous GAAP") and Ind AS

Particulars	<u>As at 31st March 2017</u>	<u>As at 31st March 2016</u>
Equity under Previous Indian GAAP	2,039.11	1,925.38
Adjustments:		
Reversal of Proposed Final Equity Dividend including dividend distribution tax thereon	27.74	24.27
Equity under Ind AS	<u>2,066.85</u>	<u>1,949.65</u>

Note No. 46.2 - Reconciliation between statement of Profit and Loss as previously reported (referred to as "Previous GAAP") and Ind AS

Particulars	<u>2016-17</u>
Net Profit as per previous Indian GAAP	141.49
Add / (Less): Adjustments:	
Remeasurement of defined benefit obligation recognised in other comprehensive income under Ind AS (net of tax)	(13.72)
Net Profit/(Loss) before Other Comprehensive Income (OCI) as per Ind AS	<u>127.76</u>
Other Comprehensive Income (net of tax)	13.72
Net Profit under Ind AS	<u>141.49</u>

BHAGWATI AUTOCAST LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2018

(Rs. in Lakhs)

Note No. 46.3 - Exemption and exceptions availed:

Ind AS optional exemptions

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

IND AS mandatory exceptions:

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

Note No. 46.4 - Explanatory notes to the transaction from previous GAAP to Ind AS

a) Proposed Dividend

In the financial statements prepared under Previous GAAP, dividend on equity shares recommended by the board of directors after the end of reporting period but before the financial statements were approved for issue, was recognised as a liability in the financial statements in the reporting period relating to which dividend was proposed. Under Ind AS, such dividend is recognised in the reporting period in which the same is approved by the members in a general meeting.

b) Other comprehensive income:

Under Indian GAAP the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP Statement of Profit and loss to Statement of Profit and loss as per Ind AS. Further, Indian GAAP Statement of Profit and loss is reconciled to total comprehensive income as per Ind AS.

As per our report of even date attached

For Mahendra N. Shah & Co.

Chartered Accountants
Firm Regn. No. 105775W

Chirag M. Shah

Partner
Membership No. 045706

Place : Ahmedabad
Date : 26-05-2018

Dr. P. N. Bhagwati

Chairman & Managing Director
(DIN : 00096799)

Reena P. Bhagwati

Jt. Managing Director
(DIN : 00096280)

D. K. Sheth

Chief Financial Officer

P. H. Buch

Director
(DIN : 03411816)

R. J. Shah

Director
(DIN : 01982424)

Mehul Naliyadhara

Company Secretary

Place : Ahmedabad
Date : 26-5-2018

BHAGWATI AUTOCAST LIMITED



BHAGWATI AUTOCAST LIMITED

CIN: L27100GJ1981PLC004718
 Registered Office: Survey No. 816, Village Rajoda, Nr. Bavla, Ahmedabad-382220
 E-mail: autocast@bhagwati.com, Website: www.bhagwati.com
 Phone: +91 2714 232283 / 232983 / 232066

PROXY FORM

Form No. MGT-11

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of Member(s) : _____
 Registered Address : _____
 E-Mail Id : _____
 Folio No/Client Id : _____
 DP ID : _____

I/We, being the member(s) of _____ equity shares of Bhagwati Autocast Limited, hereby appoint:

- 1) Name: _____ Address: _____ e-Mail ID: _____
 or failing him
- 2) Name: _____ Address: _____ e-Mail ID: _____
 or failing him
- 3) Name: _____ Address: _____ e-Mail ID: _____

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 36th Annual General Meeting of the Company, to be held on Wednesday, 12th September, 2018 at 11:00 a.m. at Survey No. 816, Village Rajoda, Nr. Bavla, Ahmedabad-382220 and at any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above Proxy to vote in the manner as indicated in the box below:

Resolutions	For	Against
1. Consider and adopt Audited Financial Statement, Report of the Board of Directors and Auditors		
2. Declaration of Dividend on Equity Shares		
3. To appoint director in place of Ms. Reena P Bhagwati (DIN:00096280), who retires by rotation and being eligible offered herself for re-appointment		
4. To re-appoint Dr. Pravin N. Bhagwati (DIN:00096799) as a Managing Director		
5. Approval of remuneration of Ms. Reena P Bhagwati (DIN:00096280) as a Jt. Managing Director		
6. To appoint Mr. Vimal R. Ambani (DIN:00351512), as Independent Director		
7. To consider and determine the fees for delivery of any document through a particular mode of delivery to a member		

Signed this..... day of.....2018.

Signature of shareholder

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Affix
requisite
Revenue
Stamp

Notes:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- This is only optional. Please put a '✓' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- For resolutions, relevant information and notes, please refer to the Notice of 36th Annual general Meeting.

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Bhagwati Autocast Limited

CIN: L27100GJ1981PLC004718

Regd. Off.: Survey No. 816, Village Rajoda, Nr. Bavla, Ahmedabad-382220.

Phone: +91-2714-232283

Website: www.bhagwati.com E-mail: cs@bhagwati.com

ATTENDANCE SLIP

Name and Registered Address of Shareholder:

Registered Folio No./DP ID No./ Client ID No. :

No. of shares held:

I hereby record my presence at the 36th Annual General Meeting of the Company held on Wednesday, 12th September, 2018 at 11:00 a.m. at Survey No. 816, Village Rajoda, Nr. Bavla, Ahmedabad-382220.

Name of Member / Proxy

Signature of Member / Proxy

Note:

1. Please complete the attendance slip and hand it over at the entrance of the meeting hall. Only Member/Representative of the corporate Members or Proxies are allowed to attend the meeting.
2. Bodies Corporate, whether a company or not, who are members, may attend through their authorised representative appointed under Section 113 of the Companies Act, 2013. A copy of authorization should be deposited with the Company.

ELECTRONIC VOTING PARTICULARS

EVEN (E-voting event number)	User ID	Password / PIN

Note:

1. The e-voting will commence on Saturday, 8th September, 2018 from 09:00 A.M. and close on Tuesday, 11th September, 2018 at 05:00 P.M. The voting module shall be disabled after closure time by NSDL.
2. These details and instructions form are internal part of the Notice for the 36th Annual General Meeting to be held on September 12, 2018.